



2025-27

Biennial Budget Request

K-12 Schools, Public Libraries, and Agency Operations

November 2024

Wisconsin Department of Public Instruction

Jill K. Underly, PhD, State Superintendent

Madison, Wisconsin

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2025-27 Biennial Budget Request

Decision Item Narratives

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September 16, 2024

To the Residents of Wisconsin:

The children, families, and communities of Wisconsin deserve the best public education and library systems in the country, and to obtain this goal, we need robust and ongoing investment. Wisconsin's schools and libraries continue to be under resourced even after Governor Evers's historic move to increase school funding in the last biennial budget. Providing a world-class education requires a significant investment in our schools and libraries. Now is the time for Wisconsin to deliver on its promise of fair and equitable funding for each learner and each community.

Today, I am submitting the first portion of my budget, which recommends funding to bolster support for public libraries and funding to address critical needs within the department. This fall, I will submit the full budget request for investing in Wisconsin's public schools, which will respond to the critical needs of our schools in the following key areas:

- Creating predictable and sustainable funding for schools
- Increasing, diversifying, and strengthening the educator pipeline
- Building capacity in school to support students in their college and career pathway
- Establishing strong foundations of learning
- Addressing student mental health
- Ensuring student nutrition

More specifics on these key areas will be provided both in the attached budget proposal and in the weeks to come. The focus of our budget on these key areas represents our belief that public schools and libraries are foundational to our communities and to our democracy. We prepared this budget with our communities and our children foremost in our mind. The children of Wisconsin are the future of Wisconsin, and it is up to all of us to prepare them well to lead our state.

Sincerely,



Jill K. Underly
State Superintendent

AGENCY VISION & MISSION

VISION: Engaged learners creating a better Wisconsin together.

MISSION: The Wisconsin Department of Public Instruction's mission is to advance equitable, transformative, and sustainable educational experiences that develop learners, schools, libraries, and communities in Wisconsin.

Under the leadership and direction of the elected State Superintendent, the department supports and advances public education and public libraries, so that all school-age learners can access high-quality educational programs meeting their needs and all citizens have access to comprehensive public library resources and services.

The department's mission is anchored in a vision of engaged learners creating a better Wisconsin together. The department's work builds on the state's nation-leading graduation rates, college entrance exam scores, and more learners taking rigorous college-level courses. But this vision also acknowledges that today, not every child graduates ready for college or career, and this inequity ultimately drives the department's work

To achieve our vision for every learner, the department is committed to ensuring educational equity remains at the center of our work. Educational equity means that every learner has access to the educational resources and rigor they need at the right moment in their education, across race, gender, ethnicity, language, disability, sexual orientation, family background and/or family income*.

Public education in Wisconsin is one of our state's great economic and social strengths. The department's mission drives this agenda, providing direct actions to improve student learning, promote safe and healthy school environments, and ensure Wisconsin's educators and schools remain the best in the nation.

*Adapted from The Aspen Education & Society Program and the Council of Chief State School Officers. 2017. *Leading for Equity: Opportunities for State Education Chiefs*. Washington, D.C

AGENCY DESCRIPTION

The department is headed by the State Superintendent of Public Instruction, a constitutional officer who is elected on the nonpartisan spring ballot for a four-year term. The State Superintendent appoints a deputy state superintendent, an executive assistant, a special assistant and assistant state superintendents. The assistant state superintendents are responsible for administering the five operating divisions of the department: Academic Excellence, Finance and Management, Learning Support, Libraries and Technology, and Student and School Success.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Educational Leadership

Goal: Talented, dedicated and well-prepared educators are in every classroom and public school.

Objective/Activity: Provide every classroom with teachers who are prepared to help students meet the district's challenging academic standards.

Goal: Make the department a high-performance organization by focusing on results, service quality and customer satisfaction.

Objective/Activity: Provide timely, consistent service and dissemination of high-quality information and products to customers.

Program 3: Aids to Libraries, Individuals and Organizations

Goal: Ensure all citizens have equal access to comprehensive public library resources and services.

Objective/Activity: All libraries make effective use of technology and the Internet in order to provide access to information and knowledge resources to the state's residents.

KEY TO ABBREVIATIONS AND NOTES

Commonly Used Acronyms

- **CESA** – cooperative educational services agency
- **DIN** – decision item narrative
- **FTE** – full time equivalent (positions)
- **FY** – fiscal year*
- **JCF** – Joint Committee on Finance
- **LEA** – local educational agency
- **SEA** – state educational agency

Fund Sources

- **GPR** – general purpose revenue
- **PR** – program revenue
- **PR-S** – program revenue-service**
- **SEG** – segregated revenue
- **FED** – federal revenue

**The state fiscal is the same as the school district fiscal year: July 1 – June 30*

***PR-S funding includes revenue from fee-generating activities and funding from revenue that is received from another state agency.*

FY25 Base – The total FY25 authorized funding level for an agency or program. The base equals FY25 appropriations, adjustments resulting from legislation in the 2023-2024 legislative sessions, pay plan modifications, and any other ongoing supplements provided by the Legislature. It is this “adjusted” base that serves as the beginning point for calculating budget changes for the 2025-27 biennium.

References to Members, Pupils, and Students – Throughout this document there are references to “student(s)”, “pupil(s)”, “member(s)”, and “membership”. These are all references to K-12 students, but the terms “member(s)” and “membership” reflect how

DPI 2025-27 BIENNIAL BUDGET REQUEST

students are counted under state law for purposes of state general equalization aid, certain categorical aids, and revenue limits.

A district's "membership" is the total full time equivalent (FTE) of students who are residents of the school district and for whom the district pays the cost of educating. As an example: a district's "membership" includes residents who attend a public school in a different school district from where they reside under the public school open enrollment program (and conversely, excludes non-resident students who attend a public school in the district under the open enrollment program). This is because each school district incurs a cost, via a reduction in its state general aid, for each resident student who enrolls into a public school in a different school district under the open enrollment program. State law provides for similar adjustments to a district's membership for other circumstances.

Membership for general equalization aid purposes uses prior year data. A district's total membership includes the average of the September and January pupil counts (converted to FTE), and adds in the district's FTE pupils for summer school and interim session, as applicable. General aid membership now also includes resident students of the district who enroll in the Racine and the Wisconsin private school parental choice programs (if the student first enrolled in those programs in the 2015-16 school year or after), and for a subset of independent charter schools. Finally, adjustments are made to reflect students enrolled part-time in the school district, in the Youth Challenge Academy program, and for some students in foster care placements.

Membership for revenue limit purposes uses current and prior year data. It is comprised of the three-year rolling average of FTE of the third Friday in September student count, plus 40 percent of summer school FTE (if applicable).

While general equalization aid membership is calculated differently than membership for revenue limit purposes, the concept of a member (a resident for whom the district pays the cost of educating) is the same for both purposes. The singular term "member" generally means 1.0 FTE pupil, unless otherwise stated (e.g., with respect to four-year-old kindergarten, which may reference 0.5 FTE or 0.6 FTE pupil).

In this document, references to "pupil" (e.g., "per pupil adjustment"), in the context of state aids and revenue limits, has the same meaning as "member", as described above.

DPI 2025-27 BIENNIAL BUDGET REQUEST

2025-27 BIENNIAL BUDGET – DPI REQUEST FOR K-12 SCHOOL AIDS

	Program Appropriation	FY25 Base	FY26	FY27	Biennial Change to Base
DIN^	Categorical Aid Programs				
6001	Per Pupil Aid	587,812,400	676,394,300	711,244,300	212,013,800
6002	Special Education Categorical Aid	574,777,700	1,395,295,000	1,741,328,000	1,987,067,600
no DIN	Achievement Gap Reduction Contracts	109,184,500	109,184,500	109,184,500	-
6065	Sparsity Aid	28,614,000	29,510,000	29,730,000	2,012,000
6063	Pupil Transportation Aid	24,000,000	24,000,000	24,000,000	-
no DIN	High-Cost Transportation Aid	22,800,000	22,800,000	22,800,000	-
6003	High-Cost Special Education Aid	14,480,000	34,904,000	36,300,000	42,244,000
6042	Aid for school mental health programs	12,000,000	74,752,000	79,237,000	129,989,000
6060	Bilingual-Bicultural Aid/English Learner Aid	10,089,800	28,215,300	34,479,500	42,515,200
6041	School-based mental health service grants	10,000,000	93,888,000	93,888,000	167,776,000
no DIN	State Tuition Payments	8,242,900	8,242,900	8,242,900	-
7033	Head Start Supplement	6,264,100	-	-	(12,528,200)
no DIN	Educator Effectiveness Grants	5,746,000	5,746,000	5,746,000	-
no DIN	School Lunch Match	4,218,100	4,218,100	4,218,100	-
no DIN	Aid for CCDEB's	4,067,300	4,067,300	4,067,300	-
6006	Special Education Transition Incentive Grant	3,600,000	3,900,000	4,000,000	700,000
6051	School Breakfast Grant	2,510,500	5,537,900	5,592,600	6,109,500
6022	Peer Review and Mentoring Grant	1,606,700	5,320,100	5,320,100	7,426,800
no DIN	Rural Teacher Talent Pilot Program	1,500,000	1,500,000	1,500,000	-
6007	Special Education Transition Readiness Grant	1,500,000	3,000,000	3,000,000	3,000,000
no DIN	Summer School Programs Grant (MPS only)	1,400,000	1,400,000	1,400,000	-
no DIN	4K Start Up Grant	1,350,000	1,350,000	1,350,000	-
6052	School Day Milk Grant	1,000,000	1,211,100	1,247,800	458,900
5005	Grant for information technology education	875,000	1,500,000	1,500,000	1,250,000
no DIN	Robotics League Participation Grant	750,000	750,000	750,000	-
6033	ECCP State Aid*	478,500	802,000	926,000	771,000
no DIN	Gifted and Talented Grant	474,400	474,400	474,400	-
no DIN	Transportation Aid for Open Enrollment & ECCP	454,200	454,200	454,200	-
6043	Peer to Peer Support Grants	250,000	600,000	600,000	700,000
no DIN	SAGE Debt Service Aid	133,700	133,700	133,700	-
no DIN	Supplemental Aid	100,000	100,000	100,000	-
no DIN	TEACH Debt Service Aid (DOA appropriation)	98,200	98,200	98,200	-
	<i>Proposed New Programs</i>				
6050	Supplemental Nutrition Aid	-	146,256,000	147,720,000	293,976,000
6061	Aid for ELs (English language acquisition)	-	26,750,000	26,750,000	53,500,000
6031	CTE Expansion Grant	-	-	44,815,000	44,815,000
5006	IT Infrastructure Grant	-	13,500,000	13,500,000	27,000,000
6046	Out of School Time Grant	-	-	20,000,000	20,000,000
6004	Early Childhood Spec Ed Aid	-	-	10,000,000	10,000,000
6054	Local Food to Schools Grant	-	5,000,000	5,000,000	10,000,000
6011	Summer Reading Program (Act 20)	-	-	5,000,000	5,000,000
6013	Diagnostic Assessments Grants (Act 20)	-	2,500,000	2,500,000	5,000,000
6021	Grow Your Own Grant (Educator Workforce)	-	-	5,000,000	5,000,000
6044	AODA Grant	-	-	4,520,000	4,520,000
6047	Safe Water Grant	-	-	2,500,000	2,500,000
6035	Innovative Practices in Education	-	-	2,000,000	2,000,000
6045	Access to Period Products	-	500,000	500,000	1,000,000
6009	Grants for School District Reorg Feasibility Study	-	-	300,000	300,000
6053	Grants for Milk Coolers & Dispensers	-	-	150,000	150,000
	GPR Categorical Aids	1,440,856,500	2,734,657,000	3,224,093,600	3,077,037,600

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DPI- Request for School Aids (continued)

DIN [^]	Program Appropriation	FY25 Base	FY26	FY27	Biennial Change to Base
6062	Tribal Languages (PR)	222,800	500,000	500,000	554,400
6044	Aid for AODA (PR)	1,284,700	1,518,600	1,518,600	467,800
PR Categorical Aids		1,507,500	2,018,600	2,018,600	1,022,200
6068	School Library Aids, SEG-USF	52,000,000	70,000,000	70,000,000	36,000,000
no DIN	Educ Telecomm Access (DOA), SEG-USF	12,283,300	12,283,300	12,283,300	-
SEG-USF** Categorical Aids		64,283,300	82,283,300	82,283,300	36,000,000
Total Categorical Aids		1,506,647,300	2,818,958,900	3,308,395,500	3,114,059,800
6000	General Equalization Aids	5,581,190,000	5,913,949,000	6,253,506,000	1,005,075,000
Total General Aids		5,581,190,000	5,913,949,000	6,253,506,000	1,005,075,000
Total State School Aids		7,087,837,300	8,732,907,900	9,561,901,500	4,119,134,800
no DIN	School Levy Tax Credit	1,425,000,000	1,425,000,000	1,425,000,000	-
Total Categorical & General School Aids & Tax Credits		8,512,837,300	10,157,907,900	10,986,901,500	4,119,134,800
State Residential Schools (GPR)		14,281,400	14,887,500	14,887,500	1,212,200
TOTAL STATE SUPPORT		8,527,118,700	10,172,795,400	11,001,789,000	4,120,347,000

[^]DIN: Decision Item Narrative number; "no DIN" means the department is not making a request to change the existing funding level for the program (i.e., funding would continue at the FY25 base appropriation).

*ECCP State Aid: Early College Credit Program State Aid for schools. Funding is appropriated in the Department of Workforce Development (DWD) chapter 20 schedule under current law. the department requests to transfer the appropriation from DWD to DPI and to increase funding to avoid proration of aid payments to schools.

**SEG-USF: Segregated funds from the Universal Services Fund, which is overseen by the Public Service Commission.

PREDICTABLE AND SUSTAINABLE FUNDING FOR SCHOOLS

Revenue Limits, General Aid, Per Pupil Aid

DECISION ITEM 6000 – GENERAL EQUALIZATION AID AND REVENUE LIMITS

201 – General equalization aids

s. 20.255 (2)(ac)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$5,913,949,000	\$6,253,506,000
Less Base	\$ 5,581,190,000	\$ 5,581,190,000
Requested Change	\$332,759,000	\$672,316,000

Request

The department requests an increase of \$332,759,000 GPR in FY26 and \$672,316,000 in FY27 in the appropriation for general equalization aid to mitigate increases in the school property tax levy arising from proposed increases in revenue limit authority. This request represents increases of six percent each year. The department also proposes several changes to current law related to general equalization aid and school district revenue limits.

General Equalization Aid Formula

- Raise the **secondary cost ceiling from 90 percent to 100 percent** of the prior year state average shared costs (results in a larger portion of shared costs being aided at the secondary level).
- Raise the **special adjustment aid amount from 85 percent to 90 percent** of the district’s prior year aid eligibility (protects districts from significant decreases in aid from year to year).

Four-Year-Old Kindergarten (4K) Pupil Count

- Count students who attend a **full-day, full week 4K program as 1.0 FTE**. This change would apply for purposes of general aid membership and revenue limit membership for school districts, as well as for pupil counts for independent charter schools (ICS) and for private schools participating in one of the state’s parent choice programs (including the Special Needs Scholarship Program).

School District Revenue Limits

Per Pupil Adjustment

The department requests that the **per pupil revenue limit adjustment be raised to \$425 in FY26, and beginning in FY27, restore prior law practice of indexing the per pupil revenue limit adjustment to inflation.** Each year, the per pupil adjustment would be increased by an amount equal to the prior year's per pupil adjustment multiplied by the March-over-March Consumer Price Index for All Urban Consumers (March CPI-U). The department estimates the **per pupil revenue limit adjustment will be \$437.75 in FY27** (three percent increase) under the CPI-U index method.

Low Revenue Ceiling

Beginning in FY26, set the low revenue ceiling to equal the prior year's state average revenue per member attributable to the per pupil revenue limit adjustment, the low revenue ceiling, and the base hold harmless adjustment. The department estimates that the resulting **low revenue ceiling will equal \$11,700 for FY26 and \$12,400 for FY27.**

Other Changes

The department also requests the following changes for school district revenue limits:

Repeal the statutory limitation currently in effect, under Wis. Stats. sec. 121.905 (1)(b), for districts that have held a referenda for school operations, so that any district whose per-member revenue limit authority falls below the low revenue ceiling threshold can make use of the low-revenue adjustment as intended (current law freezes the applicable low revenue ceiling for three years for a district that is unsuccessful in passing an operating referenda).

Restore school district's ability to make use of the revenue limit exemption for energy efficiency purchases and projects, under Wis. Stat. sec. 121.90 (4)(o). As modified by a Governor's partial veto of 2017 Act 19, the statute currently prohibits the use of this revenue limit exemption unless a school board adopted a resolution to use the exemption prior to January 1, 2018, and until after December 3018. Practically speaking, the partial veto created a 1,000-year moratorium on use of the energy efficiency revenue limit exemption. This request would restore prior law regarding the energy efficiency revenue limit exemption.

Create a new, non-recurring revenue limit exemption for school safety and cybersecurity. The exemption would allow a school district to raise its revenue limit to pay for school safety and/or cybersecurity purchases, including staff, equipment, software, security systems, and services that relate to improving safety and security in schools, including protecting against cybersecurity attacks. Under this proposal, a school

DPI 2025-27 BIENNIAL BUDGET REQUEST

district could raise its revenue limit by \$100 per revenue limit member, except that all districts would be guaranteed at least an exemption amount of at least \$60,000. As a nonrecurring exemption, the additional revenue limit authority would not be counted as part of the district's base revenue in the subsequent school year, but a district could utilize the exemption each year.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6001 – PER PUPIL AID

279 – Per Pupil Aid

s. 20.255 (2)(aq)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$676,394,300	\$711,244,300
Less Base	\$587,812,400	\$587,812,400
Requested Change	\$88,581,900	\$123,431,900

Request

The department requests an increase of \$88,581,900 GPR in FY26 and \$123,431,900 GPR in FY27 for Per Pupil Aid. The department requests that the payment to school districts be increased, from \$742 per pupil, to \$800 per pupil in FY26 and to \$850 per pupil in FY27. Additionally, the department proposes the introduction of a weighting factor to the Per Pupil Aid formula: economically disadvantaged students would be weighted 20 percent, thereby generating additional funding for school districts serving students in poverty.

Background

Per Pupil Aid is a categorical aid provided by the state of Wisconsin to all school districts in the state. This aid program provides additional funding to school districts in Wisconsin based on the three-year average membership from the district’s revenue limit worksheet (though state law specifically excludes students enrolled in certain independent charter school program that are counted in a district’s revenue limit calculation and for whom the school district incurs an aid reduction).

Created under 2013 Act 20, the Per Pupil Aid program initially provided school districts with a payment of \$50 per pupil in FY13. The Legislature generally increased the per pupil payment amount for the first several years of the program. However, it has remained at \$742 per pupil since FY22. See the table, below, for a history of the per pupil amount.

Per Pupil Aid is received outside the revenue limit, meaning it provides additional spending capacity to school districts. In contract, state general aid is received under revenue limits, which has the effective reducing property taxes.

Table 1. Per Pupil Payments under the Per Pupil Aid Program

Year	Payment
FY13	\$50.00
FY14	\$75.00
FY15 & FY16	\$150.00
FY17	\$250.00
FY18	\$450.00
FY19	\$654.00
FY20 & FY21*	\$745.00
FY22 through FY25	\$742.00

*For FY20 and FY21, an additional \$3 per pupil was made available as a result of a veto of the 2019-21 budget (2019 Act 9).

Proposal

The department proposes that Per Pupil Aid be increased so as to provide each school district with a base payment of \$800 per pupil in FY26 and \$850 in FY27. The department also proposes that the aid program be modified to apply a weight for pupils who are economically disadvantaged (ED). The weight would be equal to 20 percent of the number of ED pupils.

To estimate the cost of the Per Pupil Aid program with the weighting for ED pupils, the statewide average ED rate (FY24) was applied to the total projected number of pupils for whom Per Pupil Aid would be paid. That produced a total number of ED pupils, to which the 20 percent weight was applied; then, the 20 percent weight for ED pupils was added to the original number of pupils, and then multiplied by the applicable per pupil payment. See Table 2, below.

Table 2. Projected Costs Per Pupil Aid

	Pupils	Econ. Dis. Rate*	Econ. Dis. Pupils	20% Weight	Pupil w/ Weighting	Payment / Pupil	Total Payments	Change to FY25 Base
FY26	779,975	42%	327,590	65,518	845,493	\$800	676,394,300	88,581,900
FY27	771,917	42%	324,205	64,841	836,758	\$850	711,244,300	123,431,900
							Biennial Change	212,013,800

Funding for ED Pupils

The state’s school aid formulas generally do not have a mechanism for accounting for poverty among the K-12 population. Under prior law, the High Poverty Aid program provided additional funding to school district in which more than 50 percent of the district’s membership were ED students. However, the High Poverty Aid program

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provided the aid under revenue limits; as with state general aid, the impact was to reduce the property tax levy, as opposed to providing additional spending capacity to school districts. Further, the High Poverty Aid program was defunded in the most recent biennial budget. Weighting ED pupils by 20 percent in the formula for Per Pupil Aid would provide school districts with an additional \$160 in FY26 and \$170 in FY27 for each ED pupil in the district.

Statutory Language

The department is proposing statutory language related to this request.

Categorical Aids

DECISION ITEM 6002 – SPECIAL EDUCATION CATEGORICAL AID

206 – Special education categorical aid

s. 20.255 (2)(b)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$1,395,295,000	\$1,741,328,000
Less Base	\$574,777,700	\$574,777,700
Requested Change	\$820,517,300	\$1,166,550,300

Request

The department requests an increase of \$820,517,300 GPR in FY26 and \$1,166,550,300 GPR in FY27 to increase the reimbursement rate for special education expenditures to 75 percent in FY26 and 90 percent in FY27. The department also requests that the targeted reimbursement rates be specified in statute and that the appropriation type be changed from sum certain to sum sufficient.

Background

Under Wis. Stat. sec. 20.255(2)(b), the department reimburses school districts, independent charter schools, Cooperative Educational Service Agencies (CESAs), and County Children with Disabilities Education Boards (CCDEBs) for costs of providing services to students with disabilities under Wis. Stat. secs. [115.88](#), [115.93](#), and [118.255](#). This is the primary state categorical aid program for special education, providing support for special education services delivered by school districts, CESAs, and CCDEBs (collectively, local educational agencies, LEAs). Approximately 15.3 percent¹ of Wisconsin students receive supports through an Individualized Education Program (IEP).

The appropriation now provides \$574,777,700 GPR annually, but has not increased at the same rate as special education costs. For 11 years (from FY09 to FY19) the appropriation was held flat. Maintaining the same level of categorical aid while special education costs perpetually rise effectively shifts the funding source for special education programs to general aids and property taxes, and it raises the question of whether students with

¹ Source: Department of Public Instruction, WISEdash public portal, 2023-24 school year enrollments in public school districts and independent charter schools.

disabilities are receiving the services and support they need to be successful in school and beyond.

Wisconsin, like much of the nation, has experienced an increase in identification of students with autism and disabilities categorized as Other Health Impairment. The continued increasing costs of special education can be attributed to the more complex needs of higher cost students with disabilities. Accordingly, special education costs are increasing annually.

Special education expenditures that are not reimbursed by the state or federal special education categorical aid programs are eligible for reimbursement under state general equalization aids. However, revenue limits restrict the amount of state general equalization aids and property tax revenue a school district may receive. General equalization aids are received under a school district's revenue limit; thus, additional general aid does not provide additional spending capacity for school districts. Instead, it impacts the mix of state general aid and property taxes. Regardless of increases in general equalization aid provided by the state, rising special education costs, combined with revenue restrictions, has the effect of reducing a district's resources for general, non-special education related instruction.

In July 2000, the Wisconsin Supreme Court articulated a new standard for a basic education in *Vincent vs. Voight* that describes the "character of instruction" required to be made available through each public school. In the decision, the court found that an equal opportunity for a sound basic education acknowledges that students and districts are not fungible (interchangeable) and takes into account the needs of students with disabilities, along with economically disadvantaged students, and students with limited English language skills.²

Decreasing Reimbursement Rates under State Aid

The reimbursement rate from the state appropriation for Special Education Aid fell below 30 percent of aidable costs starting in FY05 and then below 25 percent in FY19. For the 2019-21 biennial budget, the Legislature provided funds to increase the reimbursement rate to 26 percent in FY20 and 30 percent in FY21. However, due to unexpectedly high growth in Prior Year Aidable Costs (PYAC), the reimbursement rate for FY20 was 25.1 percent, and the reimbursement rate for FY21 was 28.2 percent.

For the 2021-23 biennial budget, the Legislature again provided funding increases for this aid program, with the goal of reaching reimbursement rates of 28.2 percent in FY22 and 30 percent in FY23, based on cost projections at that time. The actual reimbursement rate in FY22 was higher than the goal, at 29.6 percent, due to a decrease in PYAC (i.e., special

² "REVIEW of a decision of the Court of Appeals. *Affirmed*. Reported at: 223 Wis.2d 799, 589 N.W.2d 455 (Ct.App. 1999 Unpublished)" *Vincent v. Voight*, 236 Wis. 2d 588, 597 (Wis. 2000); <https://casetext.com/case/vincent-v-voight>

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education expenditures incurred in the 2020-21 school year). For the 2023-25 biennial budget, the Legislature provided funding increases again for this aid program. The actual reimbursement rate in FY24 was 32.4 percent. As of the writing of this paper, the estimated reimbursement rate for FY25, based on current information, will be about 29 percent in FY25.

The rate of growth in PYAC increased steadily from FY18 through FY21, and then decreased by one percent in FY22 for the first time since FY13. It is possible that the disruptiveness of the COVID-19 pandemic impacted expenditures/allowable costs in the 2020-21 school year, thus causing a decrease in PYAC for aid distributed in FY22. Aidable costs increased again for aid distributed in FY23 (by 3.7 percent) and FY24 (5.2 percent). Assuming prior year aidable costs increase by 4 percent annually, the department estimates that increasing the appropriation by \$820,517,300 GPR in FY26 and \$1,166,550,300 GPR in FY27 will increase the reimbursement rate to 75 percent in FY26 and to 90 percent in FY27.

Table 1 below shows the history of PYAC, the state aid appropriation for special education categorical aid, and the resulting reimbursement rates to LEAs, for FY18 through FY25, as well as projections for FY26 through FY27. The estimated costs for reaching the targeted level of reimbursement under the department's proposal in FY26 and FY27 are shown in Table 2.

Table 1. Reimbursements Rates: Current Law and Targeted Levels

Aid Year	PYAC	Percent Change	Chapter 20 GPR Appropriation*	Amount Paid	State Reimbursement Rate
2017-2018	\$1,435,356,008	2.21%	\$368,939,100	\$368,939,100	25.7%
2018-2019	\$1,482,145,948	3.26%	\$368,939,100	\$368,939,100	24.9%
2019-2020	\$1,534,311,880	3.52%	\$384,472,300	\$384,472,300	25.1%
2020-2021	\$1,595,858,595	4.01%	\$450,276,200	\$450,276,200	28.2%
2021-2022	\$1,579,588,774	-1.02%	\$468,091,800	\$468,091,800	29.6%
2022-2023	\$1,637,558,084	3.67%	\$517,890,000	\$517,890,000	31.6%
2023-2024	\$1,722,335,494	5.18%	\$558,036,700	\$558,036,700	32.4%
2024-2025*	\$1,791,228,914	4.00%	\$574,777,700	\$574,777,700	32.1%**
2025-2026*	\$1,862,878,070	4.00%	\$574,777,700	\$574,777,700	30.9%
2026-2027*	\$1,937,393,193	4.00%	\$574,777,700	\$574,777,700	29.7%

*FY24 is the most recent year for which actual PYAC data is available. The PYAC for FY25 through FY27 are projections, using 4.00 percent annual PYAC, beginning with aid for FY25 (i.e., FY24 aidable costs). The actual state reimbursement rate for FY25 is an estimate, based on the projected growth in PYAC and the current law appropriation level.

**As of the writing of this paper, the data available to the department suggests that the reimbursement rate in FY25 may be as low as 29 percent.

Table. 2 Requested Increase to Reach Targeted Reimbursement Rates (FY26-FY27)

	FY26	FY27
Appropriation at Targeted Reimbursement Rate	\$1,395,295,000	\$1,741,328,000
FY25 Base Appropriation	\$574,777,700	\$574,777,700
Request	\$820,517,300	\$1,166,550,300
Biennial Total	\$1,987,067,600	

Proposal

The department requests \$820,517,300 GPR in FY26 and \$1,166,550,300 GPR in FY27 to increase the reimbursement rate for special education expenditures from 75 percent in FY26 to 90 percent in FY27. The department also proposes modifying this appropriation to be sum sufficient, and designating the target reimbursement rates in state statute, to ensure that school districts are reimbursed for providing special education services at a sustainable rate.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6003 – HIGH-COST SPECIAL EDUCATION CATEGORICAL AID

204 – High Cost Special Education

s. 20.255 (2)(bd)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$34,904,000	\$36,300,000
Less Base	\$14,480,000	\$14,480,000
Requested Change	\$20,424,000	\$21,820,000

Request

The department requests an increase of \$20,424,000 GPR in FY26 and \$21,820,000 GPR in FY27 for High-Cost Special Education Aid, to reimburse allowable costs³ at 60 percent in FY26. The department also requests that the targeted reimbursement rates be specified in statute and that the appropriation type be changed from sum certain to sum sufficient.

Background

Meeting the needs of students with low incidence and high cost special education requirements can be very costly for school districts. Children with severe disabilities often need costly equipment and assistive technology, expenses that are currently not eligible for reimbursement under the special education categorical aid appropriation. These services can cost three or more times the average expense of educating a student with no disabilities.

Eligible costs under the program include all costs (except administration or leadership) specific to educating a particular student with high cost special educational needs. Costs reimbursed by IDEA flow-through funds, Medicaid, and special education categorical aids are first deducted to arrive at a measure of eligible prior year costs. The amount by which the remaining prior year eligible costs associated with an individual child exceeds \$30,000 is the resulting prior year aidable cost (PYAC) amount – the basis for reimbursement under the High Cost Special Education Aid program. Under current law, only 90 percent of PYAC are reimbursable under the program. In FY16 and FY17, the level for aidable costs was just 70 percent of PYAC.

³ Under current law, allowable costs are equal to 90 percent of prior year aidable costs, [Wis. Stat. sec. 115.881 \(2\)](#).

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One example is an individual student whose services total \$75,000. The combined federal reimbursement and state categorical aid add up to \$30,000. The school district covers the first \$30,000 of the remaining \$45,000, leaving \$15,000 of “high cost” expenses. Of this \$15,000, 90 percent (\$13,500) is eligible for reimbursement out of this appropriation under current law. The final aid payment received by the school district will be less than \$13,500 if the state appropriation is insufficient to pay all claims (typically the case for this aid program).

Aid payments received by school districts under this categorical aid program do not affect federal Maintenance of Effort. School districts would continue to fund special education costs below the \$30,000 per student threshold for high cost aid, with IDEA flow-through funds, Medicaid, state special education categorical aid, general equalization aid, and local (property tax revenue) funding.

Proposal

The department proposes that the funding for the High-Cost Special Education Aid program be increased to raise the reimbursement rate from 25 percent (FY24) to 60 percent, beginning in FY26. The department also requests that the targeted reimbursement rate be specified in statute. Further, the department requests that the appropriation be changed to a sum sufficient appropriation.

Table 1. Projected Costs for High Cost Special Education Aid Program (Rounded)

	FY24	FY25	FY26	FY27
Aid Payments (appropriation)	\$14,480,000	\$14,480,000		
Proration	24.2%	25.9%		
Aid Eligibility (90% of PYAC)*	\$53,784,565	\$55,935,947	\$58,173,400	\$60,605,300
	Target Reimbursement Rate		60%	60%
	Appropriation		\$34,904,000	\$36,300,000
	Base Appropriation		\$14,480,000	\$14,480,000
	Requested Increase		\$20,424,000	\$21,820,000

*Assume 4 percent annual growth in PYAC beginning with PYAC for FY25 aid payments.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6004 – EARLY CHILDHOOD SPECIAL EDUCATION

205 – Aid for early childhood special education programs

*s. 20.255 (2)(be) *NEW**

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$10,000,000
Less Base	\$0	\$0
Requested Change	\$0	\$10,000,000

151 – Early childhood special education; coaches

*s. 20.255 (1)(be) *NEW**

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$600,000	\$600,000
Less Base	\$0	\$0
Requested Change	\$600,000	\$600,000

Request

The department requests an increase of \$600,000 GPR in FY26 and \$10,600,000 GPR in FY27, for a new program to support local education agencies (LEAs) and non-school childcare settings in providing required special education services to young children.

Proposal

Investments in early childhood have been shown to return a 13 percent annual return⁴. The department believes a state investment in supporting students experiencing a disability at an early age alongside IDEA, specifically in line with Indicator 6 (Preschool Inclusive Educational Environment in Childcare settings), will help to grow opportunities for those children to be educated alongside their peers, reinforcing the standard of providing education in the least restrictive environment (LRE). Additional resources and training can help ensure that school districts can serve children experiencing an early

⁴ [Heckman: Investment in Early Childhood Programs Yields Robust Returns \(2016\)](#). Accessed 11/13/2024.

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disability within their selected structure of care, whether that is a childcare setting, a public school, or a blend of the two.

Of the total amount requested, beginning in FY27, \$10,000,000 would be for a new aid program that would reimburse LEAs and childcare providers for the allowable costs of providing special education services in early childhood care settings. For LEAs, this would include only those allowable costs that are not already reimbursed through other federal and state special education aid programs. Any costs related to special education services for children aged three to the beginning of first grade normally covered by state and federal special education funding qualify to be reimbursed under this new aid program. If the categorical aid is insufficient to cover all costs, the aid will be prorated.

The remaining \$600,000 GPR annually would be dedicated to contracts between the department and Cooperative Educational Services Agencies (CESAs) to support CESA-based employees serving as LEA/Childcare collaboration coaches (four regional coaching positions). The coaches will focus on promoting Child Find with childcare providers and facilitating quality itinerant services between childcare centers and school districts. The new CESA positions will also provide training, technical assistance, consultation and collaboration with childcare and school districts across the state, in support of the state's 4-year-old-kindergarten community approach (providing childcare and education in a single setting).

Allowable costs for the \$600,000 GPR line would generally include salary and fringe cost related to staff providing educational and/or therapeutic services (e.g., Speech & Language) in the childcare setting; staff training; adapted materials (for use in childcare settings); and program-based assessments.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6006 – TRANSITION INCENTIVE GRANT PROGRAM

256 – Transition incentive grants

s. 20.255 (2)(bf)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$3,900,000	\$4,000,000
Less Base	\$3,600,000	\$3,600,000
Requested Change	\$300,000	\$400,000

Request

The department requests \$300,000 GPR in FY26 and \$400,000 GPR in FY27 to fully fund anticipated claims under the Special Education Transition Incentive Grant (TIG) Program. Under the TIG program, local education agencies (LEAs) receive payments of \$1,000 per qualified outcome from the survey of former students with disabilities related to federal Indicator #14, which address post-secondary employment and training/education. The payments have been prorated in recent years due to claims exceeding the appropriation.

Background

The Wisconsin Post-School Outcomes (WiPSO) survey assesses postsecondary outcomes for individuals with disabilities who complete (exit) high school. All school districts and independent charter schools (collectively, LEAs) that operate high schools are required to conduct the WiPSO survey at least once every five years, except for the Milwaukee Public Schools (MPS) district, which is required to conduct the survey each year. School districts other than MPS may conduct this survey in their off-cycle years at their discretion.

Created under 2015 Act 55, the Special Education Transition Incentive Grant (TIG) categorical aid program provides payments to LEAs to incentivize positive post-high school outcomes for students with disabilities. School districts are eligible for a grant of \$1,000 per qualified response (prorated as necessary). A “qualified response” means the surveyed individual indicates they are engaged in at least one of the three following outcomes:

- Enrollment in higher education.
- Enrollment in other postsecondary education or training.
- Participation in competitive employment, defined as at least 90 days of work (cumulative or consecutive) that pays at least minimum wage, for an average of at least 20 hours per week, in a setting with others who are not disabled (i.e., not a “sheltered” setting).

The outcome must be achieved within one year of exiting high school to be considered a qualified response, eligible for the grant payment.

Funding and Payment History

The TIG program began in FY17, with 1,737 qualified responses to the 2016 survey of 2014-15 exiters. With only \$100,000 available, LEAs received a prorated grant payment of \$57.57 per qualified response, far below the proposed incentive payment of \$1,000. Under 2017 Act 59, grant funding increased from \$100,000 per year to \$2,700,000 in FY18 and \$3,600,000 in FY19. State funding for the TIG program remained at \$2,600,000 since FY19.

Table 1, below, shows the number of qualifying survey responses and the resulting payment (per response) provided by the state appropriation. After the funding increases provided under 2017 Act 59, the appropriation was able to fully support payments of \$1,000 per outcome to LEAs, for four years. Beginning with payments distributed in FY22, the payments have been prorated.

Table 1. TIG Program Funding History

High School Graduation or Exit Year (Spring)	Survey Year- One Year Post-Exit (Summer / Fall)	State Fiscal Year (for aid payments)	Appropriation	Qualifying Responses	Payment per Qualifying Response*	Proration
2015	2016	FY17	\$100,000	1,737	\$57.57	5.8%
2016	2017	FY18	\$2,700,000	1,694	\$1,000.00	100.0%
2017	2018	FY19	\$3,600,000	2,986	\$1,000.00	100.0%
2018	2019	FY20	\$3,600,000	3,327	\$1,000.00	100.0%
2019	2020	FY21	\$3,600,000	3,589	\$1,000.00	100.0%
2020	2021	FY22	\$3,600,000	3,764	\$956.43	95.6%
2021	2022	FY23	\$3,600,000	3,768	\$955.41	95.5%
2022	2023	FY24	\$3,600,000	4,006	\$898.65	89.9%
2023	2024	FY25	\$3,600,000	3,799	\$947.62	94.8%

The number of qualified survey responses has been increasing since the 2018 survey. The highest number of responses was just over 4,000, received from the 2023 WiPSO survey, for aid payments in FY24. Consequently, that was the year of the deepest proration of aid payments (89.9 percent).

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Although the number of qualifying responses dipped to 3,799 in the 2024 survey, the department anticipates that the number of qualifying responses will increase again, reaching 3,900 in 2025 and 4,000 in 2026. If the appropriation is not increased, the resulting payments would be prorated to 92.3 percent in FY26 and to 90 percent in FY27. Table 2, below, shows projected qualifying responses, proration rates if the appropriation is not increased, and the amount required to fully fund anticipated aid eligibility for the TIG aid program in the 2025-27 biennium.

Table 2. Projected Cost to Fully Fund the TIG Program

High School Graduation or Exit Year (Spring)	Survey Year-One Year Post-Exit (Summer / Fall)	State Fiscal Year	Appropriation	Qualifying Responses	Payment per Qualifying Response*	Proration
<i>If no additional funding is provided, proration will continue:</i>						
2024	2025	FY26-est.	\$3,600,000	3,900	\$923.08	92.3%
2025	2026	FY27-esti.	\$3,600,000	4,000	\$900.00	90.0%
<i>Amount required to fully fund at \$1,000 per response:</i>						
2024	2025	FY26-est.	\$3,900,000	3,900	\$300,000	
2025	2026	FY27-esti.	\$4,000,000	4,000	\$400,000	
Biennial Total					\$700,000	

Proposal

The department requests funding increases of \$300,000 in FY26 and \$400,000 in FY27, above the FY25 base funding level, to fully fund the estimated number of qualifying responses received in the 2025 and 2026 WiPSO survey.

Statutory Language

The department is not proposing statutory language related to this request.

DECISION ITEM 6007 – TRANSITION READINESS INVESTMENT GRANT PROGRAM

257 – Transition readiness investment

s. 20.255 (2)(b)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$3,000,000	\$3,000,000
Less Base	\$1,500,000	\$1,500,000
Requested Change	\$1,500,000	\$1,500,000

Request

The department requests \$1,500,000 GPR in FY26 and \$1,500,000 GPR in FY27 to expand access to the Transition Readiness Investment Grant program. The department also requests that the statutory minimum and maximum grant awards be eliminated, to encourage more applicants to the program.

Background

The Transition Readiness Investment Grant (TRIG) program was established under 2017 Act 59, which provided \$1.5 million annually beginning in FY19. This grant program was proposed by the department (in the 2017-19 biennial budget request) in response to the concern that too few of Wisconsin’s special education students successfully transition to competitive work or postsecondary education after completing high school.

The TRIG program

Under [Wis. Stat. sec. 115.885](#), the department awards grants to school districts and independent charter schools (collectively, local education agencies, LEAs). The funds may be used by grant recipients to fund special education workforce transition support services, including pupil transportation, professional development for school personnel, and employing adequate school personnel. Grant awards are at least \$25,000 and no more than \$100,000.

In FY19, the inaugural year of the TRIG program, 140 applications were received; requests totaled over \$9.2 million. Grants between \$25,000 and \$100,000 were awarded to 37 school districts. Just over half of the projects funded with TRIG awards pertained to transportation; about one-fifth involved Project SEARCH, a program that provides total immersion in a community business for students with disabilities over 9 to 12 months.

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In FY20, the second year of the grant, 112 applications were received, including 88 new district applications. Districts requested more than \$4.5 million in aid, and grants were awarded to 39 districts. Funding was prioritized for districts that had not previously received an award. 61 percent of funded projects pertained to transportation and 28 percent involved Project SEARCH.

Grant Awards

Compared to FY19, the number of applications received in FY20 decreased by 20 percent and the total amount requested by applicants dropped by 50 percent. The department surmised that fewer LEAs chose to apply and requested far less funding in the second year after seeing that just 37 (26 percent) of the 140 applicant that applied were awarded a grant, and further, that the \$1,500,000 awarded was merely 16 percent of the total amount requested (\$9 million). More recently, the number of grant applications ranged from 37 to 61 and the total amounts requested for a grant cycle ranged from \$1.85 million to \$3.66 million. See Table 1, below.

Table 1. TRIG Program Awards

Grant Award Year	Total Number of Applications	Total Amount of Application Requests	Total Number of Awards Granted	DPI Appropriation	Appropriation as % of Requests
2021-22	41	\$2,206,000	29	\$1,500,000	68%
2022-23	37	\$1,853,000	29	\$1,500,000	81%
2023-24	57	\$3,381,700	27	\$1,500,000	44%
2024-25	61	\$3,663,871	28	\$1,500,000	41%

Table 2, below, shows the proportion of grant recipients that used grant funding for the specified spending categories. (Amounts do not add up to 100 percent because applicants may utilize grant funds in more than one category.)

Table 2. Use of TRIG Funds

Grant Award Year	Transportation Options	CIE Training Programs*	Postsecondary Tuition & Supports	Transition Training (staff members)
2022-23	86% (25)	52% (15)	45% (13)	66% (19)
2023-24	92% (23)	52% (13)	36% (9)	52% (13)

*CIE: competitive integrated employment.

**Responses from 29 grant recipients in 2022-23 and from 25 grant recipients in 2023-24.

Minimum and Maximum Awards

This statute governing the TRIG program specifies that grant awards must be at least \$25,000 and may not be larger than \$100,000. For the smallest LEAs in the state, the minimum grant award may be more than the LEA can reasonably expect to spend for a transition services project. This may dissuade small LEAs from even applying for a grant.

Conversely, the larger LEAs may determine that \$100,000 is not large enough to support a transition services project at the scale required for a large LEA. As an example: program staff indicate that LEAs consistently use these awards to support transportation needs related to providing transition services. An LEA may seek a grant to offset the costs of purchasing a customized vehicle to support students with mobility needs. However, even with grant funding, the cost may be too prohibitive for the LEA to pursue. Eliminating the maximum award limit may allow larger LEAs to use grant funding to support multiple transition services – e.g., transportation needs and supporting competitive integrated employment programs.

Proposal

The department requests \$1,500,000 GPR in FY26 and \$1,500,000 GPR in FY27 to expand access to the TRIG program. With the requested funding increase, \$3,000,000 would be available annually for grants to LEAs to support the provision of transition services for students with disabilities. Additionally, the department requests that the statutory language for the TRIG program be modified to eliminate the current law minimum and maximum grant awards permitted under the program, to encourage more LEAs to apply for the grant. The requested funding increase and elimination of statutory minimum and maximum awards is intended to expand the TRIG program to more LEAs and ultimately, to provide valuable transition services to a greater number of students with disabilities than can be accomplished within the current law funding level.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6060 – BILINGUAL-BICULTURAL EDUCATION PROGRAM AID

207 – Bilingual-bicultural education aids

s. 20.255 (2)(cc)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$28,215,300	\$34,479,500
Less Base	\$10,089,800	\$10,089,800
Requested Change	\$18,125,500	\$24,389,700

Request

The department requests an increase of \$18,125,500 GPR in FY26 and \$24,389,700 GPR in FY27, to increase the state reimbursement rate for Bilingual-Bicultural (BLBC) education program state aid, from 9.2 percent under current law, to 25 percent in FY26 and to 30 percent in FY27.

Background

The BLBC program provides reimbursement to school districts for prior year expenditures on BLBC programming. State law, under Wis. Stat. sec. 115.97 (2), recognizes the state’s obligation to serve all English Learner pupils (ELs), but the state does not provide additional aid on behalf of all EL pupils. While all school districts must provide services to the district’s EL pupil population, only those districts that meet all of the BLBC program’s statutory criteria (concentration of EL pupils, appropriate educator certifications) are eligible for BLBC state aid.

Under current law, the state requires school districts to establish a BLBC program if there are enough EL pupils enrolled in the district to reach specified concentrations of EL pupils from the same language group within an individual school in the district:

- 10 or more pupils in grades K-3
- 20 or more pupils in grades 4-8
- 20 or more pupils in grades 9-12

Under current law, \$10,089,800 GPR is provided annually in the appropriation under Wis. Stat. sec. 20.255 (2)(cc), Bilingual-bicultural education aids, for aid payments to school districts, to offset the costs of providing BLBC programming for ELs.

The appropriation includes a set-aside of \$250,000 for districts whose EL population comprises 15 percent or more its total pupil population. Typically, about 10 districts

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receive funding from this set-aside each year. The remaining \$9,839,800 is distributed to districts on the basis of prior year expenditures on the district's BLBC programs (i.e., claims reimbursement model).

School districts that are required to offer BLBC programs must notify parents of eligible students and obtain consent before placing the student in a program. Programs are required to use a certified bilingual teacher; however, if one is not available, districts may employ a certified English as a Second Language (ESL) teacher and a bilingual aide, with the permission of the state superintendent. This exception does not apply to BLBC programs serving Spanish-speaking ELs in a BLBC program. Table 1, below, shows the number of ELs and districts, and those served in the BLBC program during FY21.

Table 1. BLBC Program Statistics, 2022-23 School Year

Number of EL students identified	51,638
Number of EL students served in state reimbursed programs	25,155
Number of districts receiving aid	52
Average approved aidable cost/EL	\$4,274
Average state reimbursement/EL	\$391
Percent of eligible expenditures reimbursed*	9.2%
Number of state reimbursed programs	52

*The 9.2 percent reimbursement rate is for school districts that do not receive set-aside funding. The formula for determining the reimbursement rate is: $(\$9,839,800 - \$250,000) / \$107,517,324$.

Districts with State Reimbursed BLBC Programs: Abbotsford, Appleton, Baraboo, Barron, Beloit, Burlington, Clinton, Clintonville, DC Everest, Darlington, Delavan-Darien, Eau Claire, Edgerton, Elk Mound, Elkhorn, Fond du Lac, Franklin, Green Bay, Holmen, Howard-Suamico, Janesville, Kenosha, Kewaunee, La Crosse, Lake Geneva J1, Lake Geneva-Genoa City UHS, Luxemburg-Casco, Madison, Manitowoc, Marshall, Menasha, Menomonie, Middleton-Cross Plains, Milwaukee, New London, North Fond du Lac, Onalaska, Oregon, Oshkosh, Racine, Reedsburg, Rice Lake, Sauk Prairie, Sheboygan,-Stevens Point, Verona, Walworth J1, Waterloo, Watertown, Waukesha, Wausau, Wautoma, Whitewater, Wisconsin Dells, and Wisconsin Rapids.

Districts receiving set-aside (EL enrollments of at least 15% of their student enrollment receive a percentage of the set-aside of \$250,000): Abbotsford, Beloit, Darlington, Delavan-Darien, Green Bay, Madison, Sheboygan, Waterloo and Whitewater.

Allowable Costs and State Aid

In 2022-23, the combined allowable costs of districts required to establish a BLBC program reported total aidable costs of \$107,517,324. Subtracting the \$250,000 set-

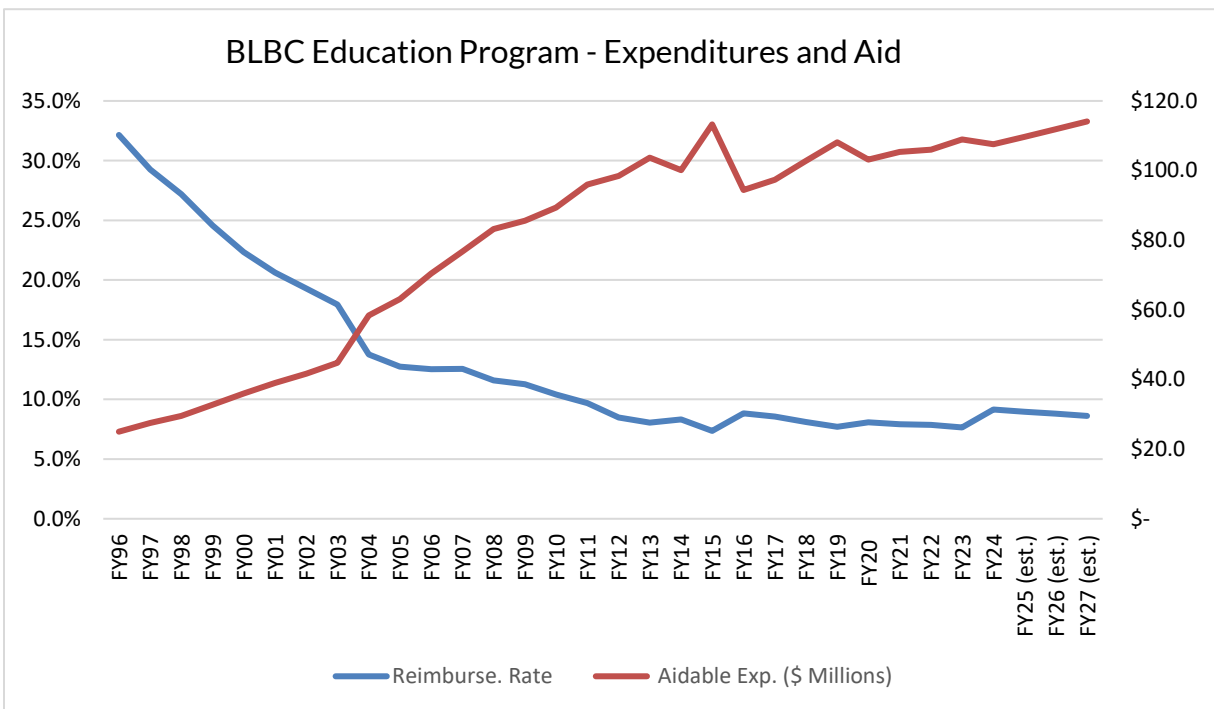
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aside from the \$10,089,800 appropriation resulted in a 9.2 percent reimbursement rate to all aided districts except those receiving set-aside funds (aid distributed in FY24).

While the appropriation for BLBC aid had been flat-funded from FY12 to FY23, the appropriation was increased to \$10,890,800 for FY24 and FY25, under 2023 Act 19 (2023-25 biennial budget). Nonetheless, total reimbursable costs have continued to grow, driving down the reimbursement rates for eligible districts.

As demonstrated in Figure 1, below, because aidable expenditures for BLBC education programs have increased most years, the reimbursement rate for eligible expenditures has generally decreased over time, from 32.2 percent in FY95 to 9.2 percent in FY23. The department estimates aidable costs will continue to grow at two percent annually over the next few years. The projected reimbursement rate will decrease, from 9.2 percent for FY24 to 8.6 percent by FY27.

Figure 1. BLBC Aidable Expenditures and Reimbursement Rate (FY94 - FY27)



Projecting future growth in aidable expenditures under the BLBC program is complicated by the variability in aidable costs over the years. The disruptions to schooling due to the COVID pandemic clearly impacted enrollments in public schools, particularly in the Fall 2020, when total enrollments decreased by nearly three percent; enrollments did not resume to pre-pandemic levels until Fall 2022-23. However, based on the changes in allowable costs over the past several years, this paper assumes annual growth of two percent each year, as shown in the table below. If the appropriation does not increase, the

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projected reimbursement rates in FY25, FY26, and FY27 will continue to diminish, to 9.0, 8.8, and 8.6 percent (respectively).

Table 1. Projected Aidable Costs and Aid Proration

Aid Year (State Fiscal Year)	State BLBC Aid Appropriation	Percent Change from Prior Year (BLBC Aid Appropriation)	Total Eligible Aidable Costs (Prior Year Expenditures)	Percent Change from Prior Year (Total Eligible Aidable Costs)	Proration of BLBC Aid (Appropriation less \$250,000 / Aidable Costs) *
FY23	\$8,589,800	0.0%	\$108,904,418	2.8%	7.7%
FY24	\$10,089,800	17.5%	\$107,517,324	-1.3%	9.2%
FY25-est.	\$10,089,800	0.0%	\$109,667,700	2.0%	9.0%
FY26-proj.	\$10,089,800	0.0%	\$111,866,100	2.0%	8.8%
FY27-proj.	\$10,089,800	0.0%	\$114,098,300	2.0%	8.6%

*Proration is based on the amount in the appropriation less the \$250,000 set aside for districts with the highest concentrations of ELs.

Proposal

State funding for ELs and bilingual education in Wisconsin school districts is simply insufficient. The department requests additional funding to increase the BLBC reimbursement rate to 25 percent in FY26 and to 30 percent in FY27. See table below for the estimated costs of raising the reimbursement rate to those levels.

Table 3. Estimated Cost of Raising BLBC Aid Reimbursement Rate

Fiscal Year	Eligible Costs (projected)	Reimbursement Rate	Aid Eligibility	Set Aside	Total Aid Eligibility	Increase to FY25 Base
2025-26	\$111,866,100	25%	\$27,965,275	\$250,000	\$ 28,215,300	\$18,125,000
2026-27	\$114,098,300	30%	\$34,229,500	\$250,000	\$34,479,500	\$24,389,700
					Biennial Total:	\$42,515,200

Statutory Language

The department is not proposing any statutory language related to this request.

APPENDIX A

English Learner Pupils, Aided and Non-Aided Districts (FY02 – FY23)

Data Year (School Year)	Aid Year (State Fiscal Year)	Number of LEAs Reporting EL Pupils	Number of EL Pupils reported	Number of Aided Districts	Number of EL Pupils Served in BLBC Program	Number of Non-Aided Districts / LEAs	Balance of EL Students ⁷
2001-02	FY03	199	32,588	45	22,016	154	10,572
2002-03	FY04	211	34,199	43	22,136	168	12,063
2003-04	FY05	247	35,602	49	22,311	189	13,291
2004-05	FY06	267	39,255	49	24,672	218	14,583
2005-06	FY07	183	33,402 ⁸	51	25,081	132	8,321
2006-07	FY08	289	40,752	52	26,331	237	14,421
2007-08	FY09	328	45,651	54	27,031	274	18,620
2008-09	FY10	358	51,772	56	27,663	302	24,109
2009-10	FY11	361	52,100	55	26,954	306	25,146
2010-11	FY12	352	51,944 ⁴	58	28,086	294	23,858
2011-12	FY13	354	51,727	59	27,220	295	24,507
2012-13	FY14	355	50,052	52	26,426	303	23,626
2013-14 ⁹	FY15	351	49,560	51	23,716	300	25,844
2014-15	FY16	356	49,309	50	24,998	306	24,311
2015-16	FY17	355	47,042	51	25,692	304	21,350
2016-17	FY18	357	47,277	52	26,707	305	20,570
2017-18	FY19	361	52,446	53	27,961	308	24,485
2018-19	FY20	365	51,825	53	27,532	312	24,293
2019-20	FY21	361	51,706	53	29,321	308	22,385
2020-21	FY22	362	49,528	50	27,129	312	22,399
2021-22	FY23	369	49,812	51	26,610	318	23,202
2022-23	FY24	372	51,638	52	25,155	320	26,483
2023-24	FY25	n/a	53,453	n/a	n/a	n/a	n/a

*Source: data reported by school districts to DPI to fulfill the statutory reporting requirements under Wis. Stat. sec. 115.96 (1), "Count of Limited-English Proficient Pupils".

DECISION ITEM 6061 – ENGLISH LEARNER CATEGORICAL AID

203 – Aid for English language acquisition

s. 20.255 (2)(ce)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$26,750,000	\$26,750,000
Less Base	\$0	\$0
Requested Change	\$26,750,000	\$26,750,000

Request

The department requests an increase of \$26,750,000 GPR in FY26 and \$26,750,000 GPR in FY27, to create a new categorical aid program to support English Learner (EL) pupils in school districts and independent charter schools across the state. The new program would provide a flat aid amount per EL student, to ensure state support for ELs in all public schools.

Background

State law, under Wis. Stat. sec. 115.95 (2), recognizes the state’s obligation to serve all EL pupils, but the state does not provide additional aid on behalf of all EL pupils.

The state’s existing Bilingual-Bicultural (BLBC) aid program provides reimbursement to school districts for prior year expenditures on BLBC programming. The existing funding is inadequate, leaving too many districts without the necessary resources to fully support their EL pupils.

The current law mechanism for providing state aid for BLBC programs does not provide any state support specifically for ELs attending a school that does not have a statutorily required BLBC program. That is because eligibility for BLBC aid is conditioned on the requirement for a district to offer a BLBC programs – which itself is conditioned on specific levels of EL pupils by grade bands.

While EL pupils are enrolled in the majority of school districts throughout the state (356 of 421 in the 2022-23 school year); most of these school districts lack the concentration of EL pupils at the level that triggers the requirement to establish a formal BLBC program

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for which the school district would receive aid – thus they receive no state aid specifically for supporting the ELs they serve⁵.

In the 2022-23 school year, the total number of EL pupils in public schools was 51,638, reflecting a return to pre-COVID levels. There were 52 school districts that met the threshold numbers and provided the requisite programming to qualify for BLBC aid, enrolling 25,155 of Wisconsin’s identified EL pupils. Thus, 26,483 ELs were enrolled in school districts that did not provide a required BLBC program, and therefore, were not aided. This means that under the BLBC aid program only 48.7 percent of the state’s EL population was eligible for state funding and 51.3 percent were not. The number of aided and non-aided ELs in school districts throughout the state is shown in the table in Appendix A and reflected in the map in Appendix B.

While Independent Charter Schools (ICS)– which are public schools – also enroll ELs, they are not eligible for state BLBC aid under current law (though, they are not required to provide BLBC programming). As demonstrated in the Table 1 below, the number and proportion of ELs enrolled in ICS, both the number and the percent of EL students attending these schools have increased.

Table 1. Number of EL Students in Independent Charter Schools

School Year	ICS with Enrolled ELs	Total ICS	ICS w/ Enrolled ELs	ELs enrolled in ICS	Total ICS Enrollment	ELs as % of Total Enrolled
2013-14	11	21	52%	370	8,412	4.4%
2014-15	11	21	52%	576	8,839	6.5%
2015-16	14	24	58%	619	9,337	6.6%
2016-17	13	20	65%	620	7,900	7.8%
2017-18	12	21	57%	685	8,185	8.4%
2018-19	15	23	65%	913	8,877	10.3%
2019-20	13	22	59%	1,140	9,126	12.5%
2020-21	12	23	52%	1,069	9,255	11.6%
2021-22	18	29	62%	1,185	10,674	11.1%
2022-23	17	28	61%	1,285	11,138	11.5%
2023-24	20	28	71%	1,412	11,588	12.2%

⁵ The report refers to 372 school districts. WISEdata indicates that 356 school districts and 17 independent charter schools reported at least one EL student, a total of 373 LEAs. The variance compared to the 2023 report (1 LEA) likely is due to the timing of the data pull.

Proposal

Current state funding to support ELs educated in Wisconsin’s school districts is simply insufficient. The fact that dedicated state support is not provided for over half of the ELs enrolled in public schools throughout the state is a severe shortcoming of the current law BLBC aid program structure. The extremely low and continually declining level of state reimbursement to those districts with a required BLBC program is a significant concern. Further, ICS do not receive state aid for the ELs enrolled served in their schools. Furthermore, the numbers and proportion of ELs those schools serve continues to grow.

Therefore, in addition to the department’s requests for additional funding to increase the BLBC reimbursement rate to 25% in FY 26 and to 30% in FY27 (under DIN 6060), the department also proposes to create this new categorical aid program to support ELs statewide that would provide support to all public school ELs in Wisconsin.

The proposed categorical aid program would provide \$500 aid for each EL student in each school district and independent charter. The projected cost of per pupil aid for (53,500 EL pupils) would be \$26,750,000.

This proposal ensures that every EL student in a public school is backed by state dollars, unlike the current law BLBC program. The table below shows the projected GPR required to fully fund the department’s proposal.

Table 2. Proposed New Aid Formula – Cost Projections for FY26 and FY27*

	FY26	FY27
Number of EL pupils reported	53,500	53,500
Funding Per Student	\$500	\$500
Estimated formula payments	\$26,750,000	\$26,750,000
Less: Base Funding	\$0	\$0
GPR Request	\$26,750,00	\$26,750,000

*The data used for this cost estimate is based on 2023-24 certified data from DPI’s WISEdash data portal (static enrollment figures).

Statutory Language

The department is proposing statutory language related to this request.

APPENDIX A

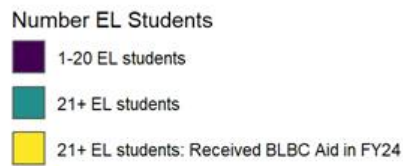
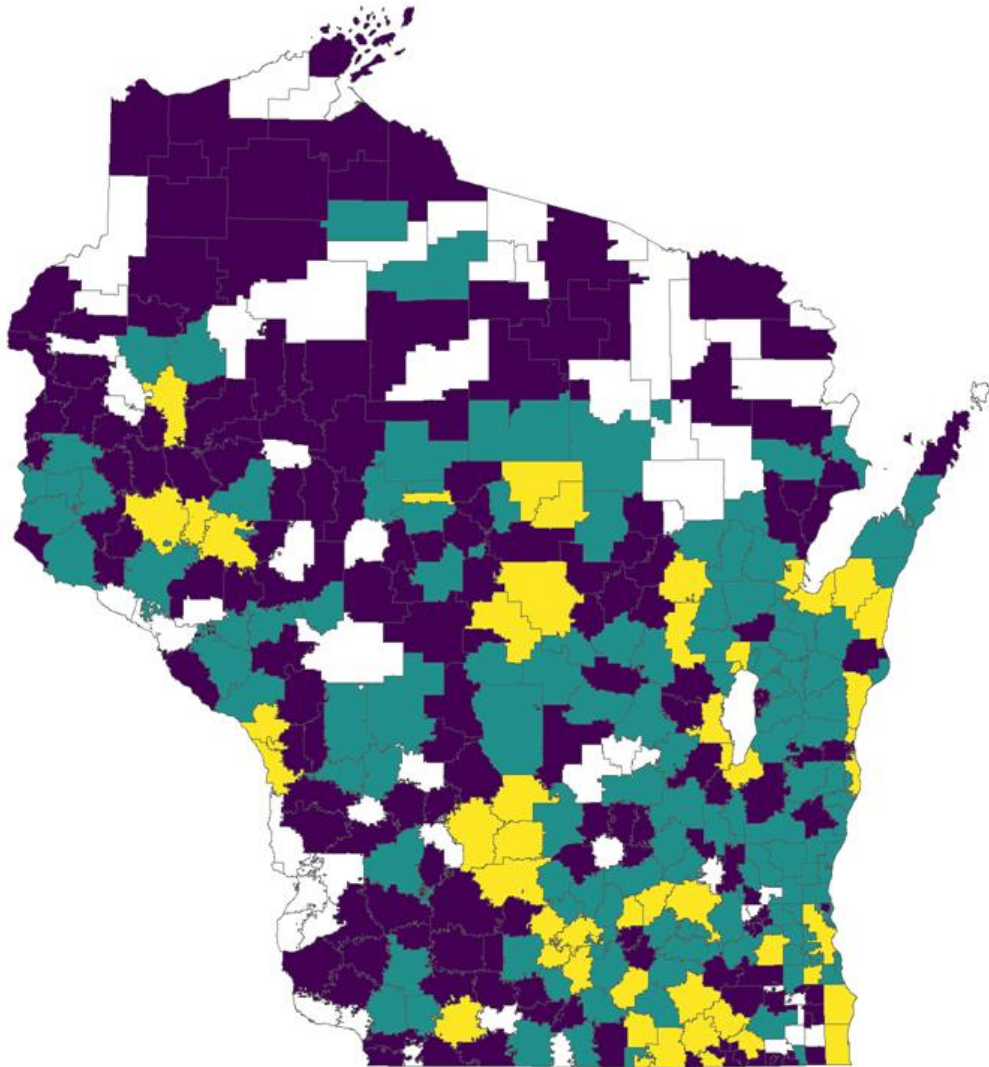
English Learner Pupils, Aided and Non-Aided Districts (FY02 – FY23)*

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2004-05	FY06	267	39,255	49	24,672	218	14,583
2005-06	FY07	183	33,402 ⁴	51	25,081	132	8,321
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2009-10	FY11	361	52,100	55	26,954	306	25,146
2010-11	FY12	352	51,944 ⁴	58	28,086	294	23,858
2011-12	FY13	354	51,727	59	27,220	295	24,507
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2021-22	FY23	369	49,812	51	26,610	318	23,202
2022-23	FY24	372	51,638	52	25,155	320	26,483
2023-24	FY25	n/a	53,453	n/a	n/a	n/a	n/a

*Source: data reported by school districts to DPI to fulfill the statutory reporting requirements under Wis. Stat. sec. 115.96 (1), "Count of Limited-English Proficient Pupils".

APPENDIX B

Map of English Learners by District, 2023-24 School Year*



*Source: DPI, WISEdash data portal, 2023-24 certified data.

DECISION ITEM 6062 – TRIBAL LANGUAGE REVITALIZATION GRANT

222 – Tribal language revitalization grants

s. 20.255 (2)(km)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$500,000	\$500,000
Less Base	\$222,800	\$222,800
Requested Change	\$277,200	\$277,200

Request

The department requests an increase of \$277,200 PR-S in FY26 and \$277,200 PR-S in FY27, to support grants for the purpose of providing effective, innovative instruction in American Indian languages under the Tribal Language Revitalization Grant program. The source of PR-S funds is Tribal Gaming Revenues received by the state.

Additionally, the department requests statutory language related to this request to include independent charter schools as eligible grant applicants.

Background

The Tribal Language Revitalization Grant program was created under 2009 Wisconsin Act 28 (the 2009-11 biennial budget) to provide limited support for innovative, effective instruction in one or more American Indian languages from the amounts appropriated under Wis. Stats. sec. 20.255 (2) (km). The program initially provided grants to school districts and CESAs (Cooperative Educational Service Agencies), in conjunction with a tribal education authority. 2017-19 Act 59 (the 2017-19 biennial budget) later modified the program language to allow Head Start agencies to apply for grants in conjunction with a tribal education authority.

Subchapter VI of ch. PI 38, Wis. Admin. Code, sets forth criteria and procedures for awarding grants under the program:

- a. Annually by March 1, eligible applicants can apply for a grant.
- b. Programs funded by these grants must offer instruction in a tribal language as a curricular or co-curricular activity.

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- c. Grant projects may fund various activities, including curriculum design, assessment development, professional development, language-focused community engagement, instructional delivery, and program evaluation.
- d. Applications must include a needs assessment, a list of the supported languages, details about the project team, the selection process for participants, innovative instructional methods, measurable goals and objectives, a timeline with plans for program continuation and growth, methods for measuring instructional effectiveness, a cost description, and evidence of collaboration with a tribal education authority.
- e. The department sets annual funding limits based on appropriations, informs eligible entities, and reviews grant applications based on criteria such as addressing identified needs, innovation, alignment with program goals, and compliance with requirements.

Funding for the program was initially appropriated in the amount of \$247,500 PR-S and was reduced to \$222,800 PR-S under 2011 Act 32 (the 2011-13 biennial budget). Grant funding has remained flat since then. Since the program's creation, funding has been provided from tribal gaming program revenue transferred from DOA (Department of Administration).

In the most recent grant periods, the total funding requested by eligible applicants varied from \$326,575 to \$429,952. The percentage of original amounts funded ranged from 52 to 68 percent. The requested funding amounts spanned from \$5,000 to \$49,350 (per application), while the actual funding awards ranged from \$2,000 to \$37,500. The number of funded applicants varied from 10 to 15, with no applicants being denied. The grants supported a diverse number of students, and included multiple school districts, local education agencies, and tribal programs, such as Early Childhood and Head Start Programs. Further information on funding amounts provided in each grant period is provided in Appendix A of this paper.

For the 2024-25 grant period, the grant program will support 13 total applicants, serving students across multiple Indigenous languages, including Ojibwe, Ho-Chunk, Oneida, and Menominee. Funding requests ranged from \$7,450 to \$39,050 (per application), with awards based on a combination of external and internal review ratings. For example, the School District of Baraboo, part of a consortium of multiple school districts, received the highest award of \$32,000 serving 10,350 students in the Ho-Chunk language. Other notable recipients included the Siren School District, which received \$26,800, and Unity School District, awarded \$23,000. Ratings varied from "Average" to "Excellent," with awards adjusted accordingly. Further information on funding amounts in the 2024-25 grant period is provided in Appendix B of this paper.

There are around 8,245 students that identify only as American Indian or Alaska Native in Wisconsin, but there are another 43,000 students that identify as two or more races,

which potentially increases the number of students who identify as American Indian or Alaska Native. Approximately 9,300 students live in the 39 school districts that are either near reservations or have a considerable number or percentage of enrollment of American Indian students. Currently, only 10 of 421 public school districts offer instruction in a tribal heritage language, a decrease from previous grant cycles.

This is compared to other educational institutions in the state that integrate Native language instruction into their respective curricula. In Wisconsin, there are three tribal schools: Lac Courte Oreilles Ojibwe School, Menominee Tribal School, and Oneida Nation School System, all of which are funded by the Bureau of Indian Education and serve approximately 900 students. Finally, one private school, Indian Community School, has developed a framework which integrates Native languages into teaching and learning⁶.

Proposal

Current funding levels for the program provide limited resources for about one-fourth of the approximately 42 school districts that the department currently identifies as eligible grant applicants. These school districts are located near reservations in Wisconsin or have a considerable number or percentage of enrollment of American Indian students. When accounting for increased costs (due to inflation), the available funding for grants has simply not been large enough to incentivize some school districts that are already operating with limited resources to offer new tribal language programs or to continue to offer existing programs.

In many American Indian nations and tribal communities in Wisconsin, the number of individuals who are fluent in their tribal heritage languages is limited. It is estimated that currently only one half of one percent of the membership of American Indians in Wisconsin can be considered a fluent speaker in one of the six tribal heritage languages (Ho-Chunk, Menominee, Mohican/Munsee, Ojibwe, Oneida, and Potawatomi).

There are concerted efforts across the nation to restore Tribal languages for many reasons – one of which is the observed benefits among American Indian students who study these languages. Many of the Wisconsin tribal nations and communities have a language program in place, funded through a combination of tribal funds, federal funds, and private grants; however, these programs often lack a connection to schools and educational settings. These tribal programs operate primarily in community-based settings outside of schools, some in tribally operated Head Start and childcare centers, and others in tribally operated schools and tribal colleges and universities.

⁶ In addition, the Lac Courte Oreilles Ojibwe University had chartered two schools, one of which was the Akii-gikinoo'amaading Earth School, an independent charter school. As of the 2024-25 school year, this is no longer an independent charter school. The other school was Waadookodaading Ojibwe Language Institute, which used the Ojibwe language as the medium of instruction. As of

There has been a loss in Indigenous language fluency over generations due to cultural, economic, and societal factors. As a result, today there are few proficient language speakers in Wisconsin. Most of the district-level grant applicants currently offer programming at the high school level only, which provides a limited window of time to improve academic and achievement trends for students. Additionally, the department has found that eligible entities, such as Head Start centers, do not apply for funding out of concern that it might diminish the local school district's chances of securing the limited support that the program currently provides. Providing additional resources will incentivize greater participation in the program and positively impact student academic achievement outcomes.

The department's proposal addresses both the linguistic and cultural needs of tribal communities and the shared interest of tribal and non-tribal citizens of Wisconsin in having well-educated community members. Under the department's proposal, an enhanced Tribal Language Revitalization Grant Program will address concerns about the vitality of tribal heritage languages, as well as concerns related to the academic achievement of American Indian pupils, by incentivizing greater participation in the program by eligible grant applicants. Additionally, the department proposes to expand access to instruction in American Indian languages by including independent charter schools as eligible grant applicants under the program.

Therefore, the department requests an increase of \$277,200 PR-S in FY26 and FY27, to support grants for the purpose of effective, innovative instruction in American Indian languages under the Tribal Language Revitalization Grant program. The department further requests statutory language related to this request to include independent charter schools as eligible grant applicants.

Statutory Language

The department is proposing statutory language related to this request

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Appendix A – American Indian Language Revitalization - State Grant
Fiscal Year (FY) Grant Summaries (2019-2020 to 2024-2025)

	Fiscal Year 2019-2020	Fiscal Year 2020-2021	Fiscal Year 2021-2022	Fiscal Year 2022-2023	Fiscal Year 2023-2024	Fiscal Year 2024-2025
Biennial Budget	2019-2021	2019-2021	2021-2023	2021-2023	2023-2025	2023-2025
Total Funding Requested	\$429,952.47	\$371,542	\$326,575.10	\$398,738	\$355,160	\$379,870
Total Funding Awarded	\$222,800	\$222,800	\$222,800	\$222,800	\$222,800	\$222,800
Percentage of Original Funding Amounts Funded	52%	60%	68%	57%	63%	59%
Number of applicants funded	15	14	10	12	12	13
Number denied	0	0	0	0	0	0
Range of funding amounts requested	\$5,000 - \$40,000	\$5,000 - \$49,350	\$18,880 - \$41,500	\$19,786 - \$46,750	\$8000 - \$49,000	\$7,450 - \$39,050
Range of actual funding awarded	\$2000 - \$25,500	\$3,800 - \$33,000	\$13,500 - \$30,000	\$5,000 - \$37,500	\$3,000 - \$33,300	\$3,000 - \$32,000
Range of number of students served	25 - 999	25 - 399	75 - 600	25 - 1,009	40 - 10,348	32 - 10,350
Number of School Districts or Local Education Agencies	13	14	9	11 (one consortium so this number would be higher)	10 (one consortium so this number would be higher)	10 (one consortium so this number would be higher)
Number of Tribal Programs served (Early Childhood, Head Start Pgms).	2	0	1	1	2	3

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Appendix B – Grant External and Internal Review Scores
2024-2025 American Indian Language Revitalization Grant - State Grant

Applicant Agency	Tribal Authority	CESA	# of Students Served	Indigenous Language(s)	FY 2024-25 Funding Request	External Review Rating	Internal Review Rating	External/Internal Averages Combined	FY 2024-25 Award
School District of Ashland	Bad River Tribal Education Department	CESA 12	250	Ojibwe	\$35,000	Average	Below Average	Average/ Below Average	\$13,000
Bad River Band of Lake Superior Chippewa	Bad River Tribal Education Department	CESA 12	54	Ojibwe	\$35,000	Average	Below Average	Average/ Below Average	\$13,000
School District of Baraboo (consortium of multiple school districts)	Ho-Chunk Nation Language Division	CESA 5	10,350	Ho-Chunk	\$39,050	Excellent	Above Average	Excellent	\$32,000
School District of Bayfield	Red Cliff Band of Lake Superior Chippewa	CESA 12	386	Ojibwe	\$35,000	Above Average	Average	Average/ Above Average	\$17,500
Green Bay Area School District	Oneida Language Department	CESA 7	400	Oneida	\$20,000	Average	Average	Average/ Above Average	\$14,500
Lac du Flambeau School District	Lac du Flambeau Tribal Education Department	CESA 9	498	Ojibwe	\$22,970	Average	Average	Average	\$14,500
Menominee Indian School District	Menominee Language and Culture Commission	CESA 8	1025	Menominee	\$35,000	Above Average	Average	Above Average/ Average	\$17,500

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Applicant Agency	Tribal Authority	CESA	# of Students Served	Indigenous Language(s)	FY 2024-25 Funding Request	External Review Rating	Internal Review Rating	External/Internal Averages Combined	FY 2024-25 Award
Menominee Early Childhood	Menominee Indian Tribe of Wisconsin	CESA 8	231	Menominee	\$35,000	Above Average/Average	Average	Above Average/Average	\$17,500
Oneida Head Start/Early Head Start	Oneida Nation Education Department	CESA 7	168	Oneida	\$30,000	Above Average	Above Average	Above Average	\$23,000
School District of Shell Lake	St. Croix Band Ojibwe Education Department	CESA 11	32	Ojibwe	\$7,450	Average	Average/Below Average	Average	\$3,000
Siren School District	St. Croix Band Ojibwe Education Department	CESA 11	420	Ojibwe	\$35,000	Excellent	Above Average	Excellent/Above Average	\$26,800
Unity School District	St. Croix Band Ojibwe Education Department	CESA 11	135	Ojibwe	\$34,825	Above Average	Above Average	Above Average	\$23,000
Webster School District	St. Croix Band Ojibwe Education Department	CESA 11	100	Ojibwe	\$15,575	Average	Average/Below Average	Average	\$7,500

Review Ratings:

- Excellent (Exemplary) = 4
- Above Average (Accomplished) = 3
- Average (Developing) = 2
- Below Average (Beginning) = 1
- Poor (Not Present) = 0

Notes: Two additional applicants applied (and one did not apply from previous year) for 2024-2025 academic year.

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DECISION ITEM 6063 – PUPIL TRANSPORTATION AID

Request

The department requests that for the Pupil Transportation Aid program under Wis. Stat. sec.121.58 (state aid for the transportation of public and private school pupils), the payment made to school districts and independent charter schools (ICS) for pupils who live 12 or more miles from the school they attend be increased, from \$400 to \$450, beginning with aid distributed in FY26 (payments under Wis. State. sec.121.58 (2) (a) 4.).

Background

Under the Pupil Transportation Aid program, initial payments are made to school districts and ICS in January each year; if funding remains in the appropriation after the January aid disbursement and after payments are made to eligible school districts for transporting pupils over ice, the department is required to distribute the balance in the appropriation to all districts and ICS that received Pupil Transportation Aid in January, in proportion to each districts' share of aid received in January.

For aid payments made in FY24, the initial Pupil Transportation aid calculation produced a total of \$19,426,955 in aid for eligible LEAs (after adjustments for audit findings), paid in January 2024. After accounting for the \$7,500 payment to a school district for transporting pupils over ice (as required in state law), there remained \$4,565,545 for distribution in June 2024. See table 1 on the following page.

The department projects that the requested increase in the per pupil payment for the 12 or more miles category will not cause aid claims to exceed the current appropriation level; thus, the department does not request a change to the appropriation for the Pupil Transportation Aid program.

Statutory Language

The department is proposing statutory language related to this request.

Under Wis. Stat. sec. 121.58 (2)(a)4., change the amount provided for a pupil transported more than 12 miles from \$400 to \$450:

4. For each pupil so transported whose residence is more than 12 miles from the school attended, \$300 per school year in the 2016-17 school year and \$365 for the 2020-21 school year. The amount for the 2021-22 school year and the 2022-23 school year is \$375. The amount for each school year thereafter is ~~\$400~~\$450.

**Table 1. 2023-24 Pupil Transportation Aid based on 2022-23 Data
(Initial Distribution - January 2024)**

Period of Transportation	Distance to School	Public School Pupils	Private School Pupils	Total Pupils	Aid Per Pupil	Total Aid Eligibility
Regular School Year						
Over 90 days	Over 12 miles	11,002	889	11,891	\$400.00	\$4,756,400
Over 90 days	0 to 2 miles (hazardous)	85,374	3,317	88,691	\$15.00	\$1,330,365
Over 90 days	Over 2 to 5 miles	150,332	12,003	162,335	\$35.00	\$5,681,725
Over 90 days	Over 5 to 8 miles	61,558	6,140	67,698	\$55.00	\$3,723,390
Over 90 days	Over 8 to 12 miles	28,002	3,000	31,002	\$110.00	\$3,410,220
Subtotal		336,268	25,349	361,617		\$18,902,100
Vocational School						
Over 90 days	Over 12 miles	90		90	\$400.00	\$36,000
Over 90 days	Over 2 to 5 miles	663		663	\$35.00	\$23,205
Over 90 days	Over 5 to 8 miles	417		417	\$55.00	\$22,935
Over 90 days	Over 8 to 12 miles	223		223	\$110.00	\$24,530
Subtotal		1,393	0	1,393		\$106,670
Summer School						
1-15 days	2 to 5 miles	16,524	130	16,654	\$10.00	\$166,540
1-15 days	Over 5 miles	19,376	274	19,650	\$20.00	\$393,000
Subtotal		35,900	404	36,304		\$559,540
GRAND TOTAL		336,877	18,550	355,427		\$19,568,310
Aid distributed in school year 2023-24 (FY24):						
Aid Eligibility - January:						\$19,436,250
Adjustments (audit findings):						\$(9,295)
Net Aid Eligibility - January:						\$19,426,955
*Transportation Over Ice:						\$7,500
Distributed prior to June:						\$19,434,455
Distributed in June:						\$4,565,545
Appropriation						\$24,000,000

DECISION ITEM 6065 – SPARSITY AID

255 – Sparsity aid

s. 20.255 (2)(ae)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$29,510,000	\$29,730,000
Less Base	\$28,614,000	\$28,614,000
Requested Change	\$896,000	\$1,116,000

Request

The department requests an increase of \$896,000 GPR in FY26 and \$1,116,000 GPR in FY27 for Sparsity Aid for school districts. The requested funding increases are intended to fully fund aid eligibility for school districts that qualify for Sparsity Aid.

In addition, the department requests a statutory change to modify the current law Sparsity Aid “stopgap” payment so that a district that loses eligibility for Sparsity Aid because it no longer meets the sparsity criteria (fewer than 10 members per square mile) would be eligible for the stop gap payment, equal to 50 percent of the district’s prior year aid payment. Under current law, a school district is eligible for the stopgap payment only if it loses eligibility due to exceeding the membership criteria.

Background

Many of the state’s small, rural school districts face a similar set of issues, including a lack of economies of scale, low median income, and large geographic boundaries. A greater percentage of rural districts (as opposed to urban or suburban) are also experiencing declining enrollment, which further exacerbates the challenges associated with these issues.

For these small, rural school districts, their relatively large geographic size and distance from neighboring schools, compounded in many districts by declining enrollment, result in relatively larger costs per student just to maintain operations (e.g., for instruction, transportation, administration, and facilities). In addition, some of these school districts with sparser student populations are among the state’s lowest wealth districts, in terms of average income; they often have poverty rates higher than the state average, higher total transportation costs, and in some cases, relatively high property value per member, compared to other districts.

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In the general school aid formula, a school district's "ability to pay" is measured by the district's equalized property value per member. The higher the district's property value per member, relative to other school districts, the lower the percentage of that school district's shared costs that are reimbursed in the state's general aid formula. As a result, districts that are aided to a lower percent of shared costs must rely more heavily on the local tax levy to maximize revenues, within the framework of state imposed revenue limits (i.e., via referendum) to increase resources for school district operations more challenging.

Legislative History

In response to these issues, the State Superintendent's 2005-07 budget request included a \$24 million GPR Sparsity Aid proposal as part of the Rural Initiative. The proposal was not included in either the governor's or the legislature's biennial budget proposals. However, a scaled-down Sparsity Aid proposal was eventually adopted under 2007 Wisconsin Act 20 (Act 20, the 2007-09 biennial budget).

As initially created under Act 20, eligibility for Sparsity Aid required a school district to meet all of the following criteria:

- Membership in the prior year of no more than 725;
- Fewer than 10 members per square mile of district attendance area (referred to as "sparsity"); and
- At least 20 percent of the school district's membership in the previous school year was eligible for a free or reduced-price lunch (FRL) under the National School Lunch Program.

In the first year of the program, \$150 per member was awarded to districts that met the membership and sparsity criteria and whose FRL percentage was between 20 percent and 50 percent; eligible districts whose FRL percentage exceeded 50 percent received \$300 per member as long as they met the 20 percent FRL threshold, in addition to meeting the membership and sparsity criteria. However, the Sparsity Aid program was modified in several ways following the inception of the program, and funding was adjusted in each biennial budget. The Sparsity Aid appropriation was significantly increased under 2009 Act 28 (the 2009-11 biennial budget), from \$3,517,100 GPR in FY10 to \$14,948,100 GPR in FY11, which allowed the per member payment to rise from \$69 to \$282.

The Sparsity Aid appropriation was reduced to \$13,453,300 in FY12 and FY13 due to budget cuts under 2011 Wisconsin Act 32 (the 2011-13 biennial budget). While the eligibility for aid remained at \$300 per member, the funding reduction resulted in more deeply prorated payments, down to \$241 per member in FY12 and \$246 per member in FY13. The 2013-14 biennial budget (2013 Wisconsin Act 20) maintained base funding, but with more districts gaining eligibility (and more members on behalf of whom aid payments were made), per member payments were further prorated, down to \$237 per member in FY14 and \$236 in FY15.

Under 2015 Wisconsin Act 55 (Act 55, the 2015-17 biennial budget), the FRL criteria for districts to qualify for Sparsity Aid was eliminated. Act 55 also appropriated an additional \$4,220,700 GPR in FY16 and FY17 to fully fund estimated payments for the Sparsity Aid program. As a result, Sparsity Aid payments were fully funded (not prorated) for the first time in FY16; aid payments were prorated to 97 percent in FY17.

The program was further modified under 2015 Wisconsin Act 305 (Act 205) to create a second round of aid eligibility determination for school districts that lose eligibility for Sparsity Aid due to membership increases. Act 305 stipulated that if the appropriation were not fully expended after the initial round of eligibility determination, and if there were any districts that lost eligibility due to membership exceeding the 725 member threshold, the department must calculate a second round of aid for the districts that lost eligibility. Of note, this provision did not apply to districts that lost eligibility due to exceeding the sparsity criteria (fewer than 10 members per square mile). In addition, Act 305 increased the membership cap for receiving Sparsity Aid, from 725 to 745, first effective for Sparsity Aid distributed in FY17.

Further changes were made to the Sparsity Aid program in the 2017-18 legislative session. Under 2017 Wisconsin Act 59 (Act 59, the 2017-19 biennial budget), the aid entitlement created under Act 305 was replaced with a stopgap payment. Under this provision, school districts will receive 50 percent of the Sparsity Aid amount received in the prior year, if the school district no longer meets the membership criteria (now 745 or fewer members). This provision was first effective for aid distributed in FY18. Act 59 also provided that for school district consolidations that occur on or after July 1, 2019, the consolidating districts will receive no less than 50 percent of the aggregate amount of Sparsity Aid received by the consolidating school districts in the school year prior to the school year in which the consolidation takes effect and in each of the subsequent four school years.

2017 Wisconsin Act 141 increased the Sparsity Aid payment for eligible school districts to \$400 per member, beginning in FY19. An additional \$6,454,600 GPR was committed to the appropriation to fully fund the higher per-member payment amount.

Finally, under 2021 Act 58 (the 2021-23 biennial budget), a second tier of aid was added to the Sparsity Aid program: districts that meet the sparsity factor (fewer than 10 members per square mile) and that have a membership of 746 up to 1,000 are now eligible for Sparsity Aid at \$100 per member. With this change, the only time that the stopgap payment comes into play is if a school district exceed the 1,000 membership threshold for tier 2 aid. Districts that move from the tier 1 to the tier 2 size category still receive aid for each year they qualify, but at the \$100 per pupil rate.

If the appropriation in any fiscal year is insufficient to pay the full amount of aid for regular eligibility, stopgap payments, or consolidation-related payments, the department must

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prorate the payments among all eligible school districts. History of the appropriation, proration, and eligible districts and members can be found in Table 1 below.

Table. 1 Sparsity Aid History

Year	Appropriated Amount	Per Member Amount	Proration	# Eligible Districts	# Eligible Members
FY09	\$3,644,600	\$134/\$67*	45%	98/12	49,612
FY10	\$3,517,100	\$ 69	23%	115	50,974
FY11	\$14,948,100	\$282	94%	123	53,083
FY12	\$13,343,300	\$241	80%	130	55,854
FY13	\$13,343,300	\$246	82%	129	54,649
FY14	\$13,343,300	\$237	79%	133	56,673
FY15	\$13,343,300	\$236	79%	133	56,970
FY16	\$17,674,000	\$300	100%	137	57,728
FY17	\$17,674,000	\$291	97%	141	60,702
FY18	\$18,496,200	\$297	99%	144	62,377
FY19**	\$25,213,900	\$400	100%	144/2	62,146
FY20	\$24,813,900	\$400	99%	143	62,156
FY21	\$24,813,900	\$400	99%	144	62,273
FY22	\$27,962,400	\$400/\$100	97%	153/32	65,450/27,175
FY23^	\$28,631,652	\$400/\$100	98%	150/33	64,372/27,179
FY24	\$28,961,450	\$400/\$100	99%	152/29	66,058/24,896
FY25	\$29,536,100	\$400/\$100	97%	156/27	67,886/23,319
FY26 (proj)	\$29,510,000	\$400/\$100	97%	157/28	68,100/22,200
FY27 (proj)	\$29,730,000	\$400/\$100	96%	158/29	69,000/20,800

* In the first year of the program, districts that met the membership and sparsity criteria whose FRL percentage was between 20 percent and 50 percent were eligible for \$150 per member; eligible districts whose FRL percentage exceeded 50 percent were eligible for \$300 per member.

** Reflects an increase to the appropriation of \$6,454,600 GPR under 2017 Wisconsin Act 141. Actual aid payments for FY19 were calculated at \$25,071,896. This includes two school districts that received a 50 percent stopgap payment due to membership increases. This was the first time stopgap payments were made since the provision was created in 2017 Wisconsin Act 59.

^In FY23, two districts were eligible for stopgap payments due to exceeding the 1,000 membership level for Tier 2 aid (representing 2,062 students). In FY24 and FY25, just one districts was eligible for the stop gap payment, representing 1,037 and 1,040 students, respectively.

Current trends indicate that as districts continue to experience declining enrollment, more districts are meeting the definition of sparsity. At the same time, the decline in enrollment translates to fewer members for which aid is generated. For purposes of

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projecting eligibility in FY26 and FY27, the department assumed that membership in eligible school districts will be fairly constant.

Proposal

Despite increases in the appropriation provided under the most recent budget bill (2023-25), Sparsity Aid payments were still prorated in FY24 and FY25, at 99% and 97%, respectively. For FY25 aid payments, the appropriation was short by \$922,100. To avoid proration in future years, the department requests an increase of \$896,000 in FY26 and \$1,116,000 in FY27, to fully fund the Sparsity Aid program.

	FY26	FY27	FY26	FY27	FY26	FY27
Aid Category	Estimated members in eligible districts:		Payment/Member		Projected Cost	
Tier 1	68,100	69,000	\$400	\$400	\$27,240,000	\$27,600,000
Tier 2	22,200	20,800	\$100	\$100	\$2,220,000	\$2,080,000
Stop Gap Eligibility					\$50,000	\$50,000
Total Eligibility					\$29,510,000	\$29,730,000
FY25 Base					\$28,614,000	\$28,614,000
Request					\$896,000	\$1,116,000

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6068 – SCHOOL LIBRARY AID

262 – School library aid

s. 20.255 (2)(s)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$70,000,000	\$70,000,000
Less Base	\$52,000,000	\$52,000,000
Requested Change	\$18,000,000	\$18,000,000

Request

The department requests an increase of \$18,000,000 SEG in FY26 and \$18,000,000 SEG in FY27 in the existing appropriation for school library aid. The funding for this aid program is derived from interest earnings on amounts in the Common School Fund, which is overseen by the Board of Commissioners of Public Lands (BCPL).

Background

In January each year, the BCPL provides an estimate of the funds available for distribution which is divided by the total census reported by all districts to determine the per child amount. Each district receives an allocation based on their reported resident census count and the per child amount. Final payment is made in April.

This request is an estimate of the revenue that will be available for the School Library Aid appropriation. Funding was \$65,000,000 in FY24; the amount that will be available for FY25 has not yet been released.

Statutory Language

The department is not proposing statutory language related to this request.

DECISION ITEM 6009 – DISTRICT REORGANIZATION - FEASIBILITY STUDY GRANT

299 – School district reorg feasibility study; grants

s. 20.255 (2)(bt)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$300,000
Less Base	\$0	\$0
Requested Change	\$0	\$300,000

Request

The department requests an increase of \$300,000 GPR in FY27 in a new, continuing appropriation, for grants to school districts conduct feasibility studies for potential school district reorganization.

Background

Under 2007 Act 20, Section 9137 (a), the department was authorized to award grants to consortium of two or more school districts for the purpose of paying for costs associated with conducting a school district consolidation feasibility study. School district consortia were required to submit a plan to the department that identified the school districts engaged in the study, the issues the study would address, and how the grant funds would be expended. School districts could be a member of only one consortium.

Act 20 provided one-time funding of \$250,000 GPR for the consolidation study grants, in FY09. Grant awards were limited to a maximum of \$10,000 per consortium. The department awarded a total of 11 grants for consolidation studies. Following the studies, two instance of consolidations occurred involving districts that received a consolidation study grant:

- The school districts of Glidden and Park Falls consolidated into the Chequamegon School District (2009).
- The school districts of Chetek and Weyerhaeuser consolidated into Chetek-Weyerhaeuser (2010).

Several years later, two more consolidations occurred, though none of the school districts involved has received a consolidation grant:

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- The school districts of Herman #22, Neosho J3, and Rubicon J6 consolidated into the Herman-Neosho-Rubicon school district (2016).
- The school districts of Friess Lake and Richfield J1 consolidated into the Holy Hill school district (2018).

Proposal

The department requests funding to support school district reorganization feasibility study grants. With the continuing trend of declining enrollment, particularly in the rural parts of the state, more school districts may need to consider reorganizing in order to meet the needs of the students in their communities. The requested funding would provide financial support for school districts that are be considering working with neighboring school districts to consolidate, but lack discretionary funds to support a feasibility study.

While the prior law program capped grant awards at \$10,000 per consortium, the department does not include a specific grant maximum as part of this request. Rather, the department would consider the needs of grant applications within the total funding available to determine an appropriate grant award amount. The department would support including the other provision included in Act 20 pertaining to the required plan and the limitation on a school district being a member of only one consortium.

Finally, the department requests that the funding be provided in a new, continuing appropriation in FY27, so that if the appropriation is not fully obligated and the end that fiscal year, the department could carry over the budget authority and continue to make grants to school district consortia beyond FY27 (even in no new state funds are appropriated beyond FY28).

Statutory Language

The department is proposing statutory language related to this request.

EARLY LITERACY – IMPLEMENTATION OF 2023 ACT 20

On July 19, 2023, the Governor signed 2023 Act 20 into law. This legislation created new provisions in state law pertaining to early literacy instruction, curriculum, assessments, and interventions, and changes related to educator licensing and preparation. The legislation also created the Early Literacy Curriculum Council to review early literacy curriculum and make recommendations to both the department and to the Joint Committee on Finance. Council members are appointed by the State Superintendent, the Speaker of the Assembly, and the Senate Majority Leader. Under Act 20, the early literacy coaching program is administered by the Office of Literacy in the Department of Public Instruction.

Act 20 did not include additional funding or position authority for implementation of early literacy programs and activities under Act 20. Instead, during deliberations on the 2023-25 state biennial budget, the Joint Committee on Finance provided \$50 million in its supplemental appropriation for an early literacy and reading improvement program, as part of Motion 103 (adopted by the Committee on June 13, 2023). The 2023-25 biennial budget was signed into law (2023 Act 19) on July 5, 2023.

The department submitted a request under Wis. Stat. sec. 13.101, on November 22, 2023, for the release of GPR budget authority and position authority for the Director of the Office of Literacy position. On December 5, 2023, the Committee approved a motion to create the requested 1.0 FTE GPR position authority in the unclassified civil service for the Director of the Office of Literacy and approved the release of funding from its supplemental appropriation for the Director position, which was filled in June 2024.

The remaining funding (\$49.7 million) from the allocation for an early literacy program remains in the Committee's supplemental appropriation as part of the allocation for the Act 20 early literacy program. The Legislature did adopt a bill to establish the appropriation structure for funding to support the requirements of Act 20 (2023 SB 971); that bill was enacted as 2023 Act 100 on February 29, 2024. On March 7, 2024, the department submitted a second request to the Committee to request release of the remaining amount for the implementation of all provisions under Act 20.

Act 100 had been partially vetoed by the Governor and the partial veto was subsequently the subject of a lawsuit filed by the Republican-led Legislature (claimed the partial veto was unconstitutional). The court determined that the Governor's veto was constitutional; thus, Act 100 stands as partially vetoed by the Governor. As of November 8, 2024, the Committee had not yet acted on the department's request. If the funds are not released by the Committee before the end of FY25, the budget authority will lapse to the state's general fund and no longer be available to the department for implementation of Act 20. Regardless of whether any of the remaining funds are released by the Committee during FY25, there will be ongoing costs of implementing the provisions of Act 20, which are addressed in DINs 6010 – 6013 of the departments 2025-27 biennial budget request.

DECISION ITEM 6010 – EARLY LITERACY COACHES

139 – Office of literacy; literacy program

s. 20.255 (1)(fc)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$11,018,000	\$11,018,000
Less Base	\$0	\$0
Requested Change	\$11,018,000	\$11,018,000

Request

The department requests an increase of \$11,018,000 GPR in FY26 and \$11,018,000 GPR in FY27 to contract for literacy coaches, and to provide required professional development training, as part of implementing 2023 Act 20.

Background

On July 19, 2023, the Governor signed 2023 Act 20 into law. This legislation created new provisions in state law pertaining to early literacy instruction, curriculum, assessments, and interventions, and changes related to educator licensing and preparation, as well as creating a new state grant program intended to reimburse schools for a portion of costs of purchasing approved reading curriculum. Under Act 20, the early literacy coaching program is administered by the Office of Literacy in the department.

Act 20 requires the department’s Office of Literacy to establish and supervise an early literacy coaching program. The Office of Literacy is required to consult with Cooperative Educational Service Agencies (CESAs) to contract with individuals who demonstrate knowledge and expertise in science-based early literacy instruction and instructional practices to serve as literacy coaches in schools throughout the state, with a special focus on schools with the greatest early literacy needs.

Act 20 did not include additional funding for implementation of the early literacy coaching program. While the legislative Joint Committee on Finance could still release funding to support the literacy coaching program (during FY25), the department submits this request for funding to ensure that funding is appropriated to support the early literacy coaching program on an ongoing basis.

The role of the literacy coaches will be to provide support to school administrators, principals, and teachers, and school-based literacy coaches, in building teacher and school capacity to teach reading and language arts using science-based early reading instruction

(as defined under Act 20). The overarching goal of the literacy coaching program is to increase the percentage of pupils who are reading at grade level by the end of third grade by providing additional supports targeted to schools with the greatest numbers of learners who need support in developing early reading and literacy skills.

Proposal

Training for Literacy Coaches

The department requests state funding to support the ongoing costs of providing professional development training for literacy coaches, as required under Act 20 [Wis. Stat. sec. 115.39(2)(b)]. The department estimates a cost of \$1,500 per month (\$18,000 annually), to support regular, twice-monthly meetings with coaches for training and professional development designed to best meet local needs. The department would consider procuring professional development training for literacy coaches via a contract with a service provider.

Literacy Coaches (Contracts)

Act 20 specifies that the department's Office of Literacy may not contract for more than 64 full-time equivalent (FTE) literacy coaches [Wis. Stat. sec. 115.39 (2) (a)]. The department's position is that in order to provide robust literacy coaching services throughout the state, the department should be permitted to contract for up to 100 FTE early literacy coaches. Because the 64 FTE limit is specified in statute, a statutory language change would be required to allow the department to contract more than 64 FTE literacy coaches. The department therefor requests a change in the statute to permit the department to contract for up to 100 FTE literacy coaches.

The department also requests that the limitation on the number of coaches per school district and CESA region specified in current law be modified, so as to maintain proportionality with the requested increase to 100 FTE coaches, as noted below:

- Wis. Stat. sec. 115.39(3)(c)1.a.: increase from 10 to 16 FTE the number of coaches schools located within the geographical boundaries of a first class city school district (Milwaukee Public Schools).
- Wis. Stat. sec. 115.39(3)(c)1.b.: increase from 4 to 6 FTE the number of coaches in a school district other than a 1st class city school district.

To project the cost for literacy coaches, the department identified the average salary and fringe benefit costs for educators in the assignment position "Reading Specialist". For the 2023-24 school year, the average salary and fringe benefit amounts reported by school districts (for full time employees) was \$103,500 (\$73,800 for salary and \$29,700 for fringe benefits). An inflationary factor of 3 percent annually yields an anticipated salary

and fringe benefits costs of \$109,800 for school year 2025-26. See Table 1 below for projected amounts for 100 literacy coaches.

Table 1. Projected Costs for Literacy Coach Contracts

	FY26	FY27
Cost per FTE Coach*	\$110,000	\$110,000
Number**	100	100
Total Cost for Coaches	\$11,000,000	\$11,000,000
Training for Coaches	18,000	18,000
Total Biennial Cost	\$11,018,000	\$11,018,000

*Source: based on Public All Staff Report, 2023-24 school year (DPI); Assignment Position “17 – Reading Specialist”; assumes three percent annual inflation.

**The department is requesting a statutory language change to contract for up to 100 coaches.

In summary, the department requests an increase of \$11,018,000 GPR in FY26 and \$11,018,000 GPR in FY27 for the costs associated with maintaining 100 literacy coaches to support early literacy and reading in schools throughout the state. The requested funding includes \$18,000 annually for related professional development training to for the literacy coaches implement 2023 Act 20. The department also requests the statute be modified to authorize the department to contract for up to 100 FTE coaches.

Statutory Language

The department is proposing any statutory language related to this request.

DECISION ITEM 6011 – EARLY LITERACY – SUMMER READING PROGRAM

223 – Early literacy; aid for intensive summer reading program

s. 20.255 (2)(fb)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$5,000,000
Less Base	\$0	\$0
Requested Change	\$0	\$5,000,000

Request

The department requests an increase of \$5,000,000 GPR in FY27 to provide aid to local education agencies (LEAs) to offset the costs of providing intensive summer reading programs as required under 2023 Act 20.

Background

On July 19, 2023, the Governor signed 2023 Act 20 into law. This legislation created new provisions in state law pertaining to early literacy instruction, curriculum, assessments, and interventions, and changes related to educator licensing and preparation, an early literacy coaching program, a state grant program intended to reimburse schools for a portion of costs of purchasing approved reading curriculum, and requiring intensive summer reading programming for any student promoted to grade 4 not yet meeting literacy expectations.

Reading Assessments, Personal Reading Plans, and grade 3 to 4 Promotion Policy

Act 20 created a new provision [Wis. Stat. sec. 118.33 (5m)] that directs the department to establish a model state policy for promoting a pupil from the 3rd to the 4th grade. The statute requires the department’s model policy to include several provisions with respect to a pupil promoted to 4th grade who had a personal reading plan during the 3rd grade and who is not considered to have completed the personal reading plan (the statute provides for a good cause exception to this requirement under certain circumstances):

- In grade 4, provide the pupil with intensive instructional services, progress monitoring, and supports to remediate the identified areas of deficiency.
- Notify the pupil’s parent or guardian, in writing, that the pupil did not complete the personal reading plan and include a description of the intensive instructional

services and supports that will be provided to the pupil to remediate the identified areas of reading deficiency.

- Provide the pupil with an **intensive summer reading program** each summer until the pupil scores at grade-level in reading on a summative assessment.

The Legislature did not provide funding for schools expressly for the purpose of providing intensive summer reading programs required under Act 20.

Proposal

The department proposes the creation of a new categorical aid program that would reimburse LEAs for costs of providing intensive summer reading programming, as required under Act 20. The summer reading categorical aid program would reimburse LEAs for expenses incurred for a required intensive summer reading program during the school year beginning immediately after the summer period.

Timing of Aid Payments

Under Act 20, the governing body of an LEA must adopt and implement its own policy for promoting students from third grade to fourth grade that includes reading achievement criteria [Wis. Stat. sec. 118.33(6)(a) and (b)]. This policy must be adopted and implemented by July 1, 2025. For LEAs that adopt the policy after the conclusion of the 2024-25 school year (but prior to the July 1, 2025 statutory date), the first instance of required intensive summer reading programs would occur during the 2026 summer.

Under the proposed aid program, the LEA would submit documentation to the department confirming the LEA offered the intensive summer reading programming to pupils meeting the criteria in the law; the documentation would also include information about participation by pupils in the summer programming. Upon confirmation that the required services were provided, the department would reimburse LEAs for allowable costs. Thus, the expenses incurred by an LEA during the summer of 2026 would be reimbursed during the 2026-27 school year (FY27).

Because the required intensive summer reading program is a new responsibility for schools, there is not yet data available for the department to make firm projections as to the number of pupils who will participate in the programming. The most recent assessment data (2023-24 school year) indicates that 26,255 pupils taking the applicable assessment scored at the Developing or Approaching performance levels (see the [Wisconsin Student Assessment System Updated Asset-Based Performance Levels](#) for definitions of performance levels).

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While it is not likely that every pupil who scores at the lower performance levels on the statewide summative assessment will meet the criteria for an intensive summer reading program, the proposed appropriation of \$5,000,000 annually would provide roughly \$191 of aid per pupil, if participation included all pupils scoring at the those performance levels.

However, a flat dollar amount per pupil does not reflect the range of costs that LEAs will experience when providing intensive summer reading programs, as total costs (and the resulting cost per student) are likely to vary substantially among LEAs, based on their existing resources, the number of participating pupils, and the LEAs circumstances (e.g., transportation costs for rural schools could look very different than for LEAs located in suburban or urban areas).

Because the department does not yet have data to inform cost projections, the department proposes that the state provide funding in a new appropriation dedicated to reimbursing LEAs for costs of providing intensive summer reading programs, as required under 2023 Act 20. The department requests \$5,000,000 GPR annually, beginning in FY27. The department also requests rule-making authority, including authority to promulgate an emergency rule, to establish the parameters and procedures for this new aid program.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6012 – EARLY LITERACY – TUTORING

312 – Early literacy; grants for tutoring

s. 20.255 (2)(ft)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$5,000,000	\$5,000,000
Less Base	\$0	\$0
Requested Change	\$5,000,000	\$5,000,000

Request

The department requests an increase of \$5,000,000 GPR in FY26 and \$5,000,000 GPR in FY27 in a new, annual appropriation, for grants to non-profit community organizations to provide tutoring services for pupils in 5K through grade three, as a strategy for improving early literacy across the state. The grants would be available to eligible organizations to offset the costs of providing school-based tutoring services for pupils in 5K through grade three. To receive grant funds, the eligible organization must provide science-based early literacy tutoring services, which would include (but not be limited to) high-dosage tutoring services for pupils in schools.

Background

On July 19, 2023, the Governor signed 2023 Act 20 into law. This legislation created new provisions in state law pertaining to early literacy instruction, curriculum, assessments, and interventions, and changes related to educator licensing and preparation. The overarching goal of Act 20 is to improve early literacy and reading proficiency of Wisconsin’s students by the end of grade three. It is worth reviewing strategies and practices that can complement the work of schools as they implement Act 20 and facilitate improved outcomes in reading proficiency. One strategy to consider is high-dosage tutoring.

High-Dosage Tutoring as Literacy Intervention

High-dosage tutoring is a term used to describe a school-based learning intervention. According to the Center for American Progress (CAP)⁷, high dosage tutoring programs share the following characteristics:

⁷ [Fact Sheet: Scaling Up High-Dosage Tutoring Is Crucial to Students’ Success - Center for American Progress](#), January 18, 2024 (accessed November 11, 2024).

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- Size - students are tutored one-on-one or in small-group sessions, with no more than four students per tutor.
- Content – tutors use high-quality instructional materials that align with classroom content.
- Frequency and duration – students receive at least three tutoring sessions per week, with each session lasting at least 30 minutes.
- Schedule – sessions are held during school hours.
- Personnel – tutors are professionally trained and receive ongoing support and coaching, and students meet with the same tutor each session.

(Taken from The Center for American Progress, “Fact Sheet: Scaling Up High-Dosage Tutoring Is Crucial to Students’ Success”, January 2024).

In addition to meeting the criteria listed above, successful grant applicants will follow all tenets of science-based early literacy instruction included in 2023 Wisconsin Act 20, including providing explicit and systematic instruction without using three cueing as an instructional model.

The CAP’s fact sheet cites research by EdResearch for Action, in its February 2021 report “Design Principles for Accelerating Student Learning with High-Impact Tutoring”⁸ indicating that high dosage tutoring is one of few school-based interventions that has show significant positive effects on student achievement outcomes (in reading and math).

The CAP fact sheet also indicates that research demonstrates that high dosage tutoring programs are several times more effective than standard tutoring models at improving student outcomes. Unfortunately, efforts to implement robust, high dosage tutoring programs in schools can run into several challenges: general labor shortages, building in time for high tutoring with limited staff, and recruiting and retaining qualified tutors.

Proposal

The department proposes a new competitive grant program to help facilitate access to tutoring services, included but not limited to high-dosage tutoring services, for pupils needing additional help to attain reading proficiency. The department would evaluate models for delivering the tutoring services and award grants to non-school entities (community-based non-profit organizations) to conduct the high dosage tutoring for students in schools. The department has determined that existing staff could absorb the work load associated with new grant program of this scope.

⁸ [EdResearch for Recovery Design Principles 1.pdf](#) (accessed November 11, 2024).

The department consulted with several organizations that offer the type of intensive tutoring that would be funded by the requested funding under this proposal. The number of students that could be served would vary based on:

- How quickly students exit tutoring.
- The tutoring model – i.e., one to one tutoring services versus small group, the number of sessions per week, the number of minutes per session, and services in addition to tutoring, such as coaching for classroom teachers.
- Additional or matching funds provided by the organization (all organizations the department spoke with have existing funding from national or community sources).

If the cost is \$1,250 per student, the proposed funding could provide tutoring services to 4,000 students.

In summary, the department requests an increase of \$5,000,000 GPR in FY26 and \$5,000,000 GPR in FY27 for a new grant program, under which the department would award grants to community-based, non-profit organizations to provide literacy tutoring programs servings pupils in 5K through grade three.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6013 – EARLY LITERACY – DIAGNOSTIC ASSESSMENT AID

221 – Early literacy; aid for diagnostic reading assessment

s. 20.255 (2)(f)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$2,500,000	\$2,500,000
Less Base	\$0	\$0
Requested Change	\$2,500,000	\$2,500,000

Request

The department requests an increase of \$2,500,000 GPR in FY26 and \$2,500,000 GPR in FY27 to provide aid to local education agencies (LEAs) to offset the costs of administering diagnostic assessments required under 2023 Act 20.

Background

On July 19, 2023, the Governor signed 2023 Act 20 into law. This legislation created new provisions in state law pertaining to early literacy instruction, curriculum, assessments, and interventions, and changes related to educator licensing and preparation, as well as creating a new state grant program intended to reimburse schools for a portion of costs of purchasing approved reading curriculum. Under Act 20, the early literacy coaching program is administered by the Office of Literacy in the department.

Act 20 requires the department to select a fundamental skills screening assessment and a universal screening assessment that meet specifications included in Act 20, and to establish and maintain a list of diagnostic assessments that are approved by the department for use by schools (by July 15, 2024). Act 20 requires school districts and ICS to administer the fundamental skills screening assessment to 4k pupils, and to administer the universal screening assessment and approved diagnostic assessments to pupils in 5k through grade three, according to the schedule prescribed under Act 20.

The department is required to continue to reimburse schools for the costs of administering the required diagnostic assessments to pupils in grades 5k through grade three. However, the department must provide the FS/U screening assessment at no cost to schools – i.e., the department must contract with a vendor for the FS/U screening assessment that will be made available to all schools required to administer it. The department has selected aimswebPlus by Pearson for the FS/U screening assessment in

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4K through grade three. The current contract with Pearson will be in effect from July 15, 2024, through July 14, 2026, with the possibility of a one-year extension.

The existing appropriation under Wis. Stat. Sec. 20.255 (1) (f), Assessment of reading readiness (\$2.15 million annually), is to be used cover the costs of the contract for the FS/U screening assessment, as well as to offset costs incurred by schools for the required diagnostic assessments. Thus, the contract with Pearson for the FS/U screening assessment is funded from this appropriation. The Pearson contract is \$1.1 million annually for the initial contract, leaving \$1.05 million in the appropriation that can be used to reimburse schools for costs of the diagnostic assessments.

The current contract will be in effect through FY26, and potentially through FY27, if the parties exercise the option for a one-year extension. There is the possibility that the department would not choose to exercise the optional one-year extension with Pearson (e.g., if performance does not meet expectations). If that is the case, the department would have to follow state procedures for a competitive bid and for choosing the next vendor.

Program staff suggest that after this initial contract period, the vendor bids could increase, potentially significantly. Bids submitted by other vendors were higher than Pearson's and some bids were higher than the existing appropriation level of \$2.1 million. Thus, the current funding level in that appropriation may have to be used just to support the contract for the FS/U screening assessment.

Diagnostic Assessments

The costs to LEAs of administering diagnostic assessments will not be known until the department receives claims from the current (2024-25) schools year. When all claims have been received, the department will determine whether claims can be fully funded with the amount available in the appropriation (\$1.05 million, after accounting for the Pearson contract), or if claims will have to be prorated.

Total claims submitted to the department for reimbursement of costs to administer the prior law early literacy screener ranged from \$1,608,200 to \$2,147,500 (median was \$1,871,500), between FY16 and FY24. Thus, claims have been fully funded since the model switched to this reimbursement model. If claims for the diagnostic assessments come in at similar levels, the amounts available for reimbursements (\$1.05 million) would cover only 49 to 65 percent of costs.

Proposal

The department requests the creation of a new, annual appropriation, funded with \$2,500,000 GPR annually, beginning in FY26. This new appropriation would be for the express purpose of reimbursing LEAs for the costs of administering required diagnostic assessments, as required under Act 20.

Creating a separate appropriation has the advantage of keeping state funding for the two types of assessments separate. This will in turn avoid uncertainty about how much will be remaining (after the department pays for the contract for the FS/U screening assessment) for reimbursements related to the diagnostic assessments.

Finally, the department's proposal is to designate the current law appropriation under Wis. Stat. sec. 20.255 (1)(f) as the source for supporting contracts for the FS/U screening assessment, as the appropriation is technically a state operations type of expenditure, and the appropriation is already designated as a state operations appropriation. The proposed reimbursement for the costs of administering the diagnostic assessments would be considered state aid (local assistance type of expenditure) and should be funded from a local assistance appropriation.

In summary, the department requests an increase of \$2,500,000 GPR in FY26 and \$2,500,000 GPR in FY27 to provide aid to LEAs to offset the costs of administering diagnostic assessments required under 2023 Act 20.

Statutory Language

The department is proposing statutory language related to this request.

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BUILDING A STRONG WORKFORCE

Preparing, Recruiting, and Retaining Teachers

DECISION ITEM 6020 – SUPPORTING FUTURE EDUCATORS

302 – Student teacher stipend payments

s. 20.255 (3)(cj) *NEW*

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$36,000,000
Less Base	\$0	\$0
Requested Change	\$0	\$36,000,000

Request

The department requests \$36,000,000 GPR in FY27 in a new, sum-sufficient appropriation for a new program to provide state-funded stipend payments to future educators completing their student teaching as a requirement of a department-approved educator preparation program.

303– Cooperating teacher stipend payments

s. 20.255 (3)(ck) *NEW*

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$10,800,000
Less Base	\$0	\$0
Requested Change	\$0	\$10,800,000

Request

The department requests \$10,800,000 in FY27 in a new, sum-sufficient appropriation for a new program to provide state-funded stipend payments to licensed teachers serving as cooperating teachers for WIP interns and/or student teachers.

Background

School districts are facing challenges in recruiting and retaining teachers and other school staff, making it difficult for many districts to fill positions. Additionally, the demographic makeup of classroom teachers does not reflect an increasingly diverse student population. These challenges have profound consequences for students, schools, and school districts.

Recruiting and retaining teachers and school staff has presented challenges for many years. According to a [2022 Education Commission of the States-Policy Guide: State Policy Levers to Address Teacher Shortages](#), many states have implemented one or more specific teacher recruitment policies to attract teachers to high-need areas (Wisconsin has done all but the last two on this list):

- Convening work groups and collecting teacher supply and demand data.
- Providing flexibility to design targeted teacher recruitment strategies.
- Creating career pathways and grow-your-own programs for high school students.
- Altering teacher preparation and licensure requirements.
- Creating mentoring and induction programs with an eye on retention.
- Leveraging career advancement policies by providing financial incentives (e.g., scholarships/grants/loan forgiveness, housing assistance, hiring bonuses).
- Providing incentives for retired teachers to return to the profession.

In the fall of 2023, the department surveyed school districts regarding staffing shortages during the prior (2022-23) school year. Findings were analyzed in collaboration with the Wisconsin Evaluation Collaborative within the Wisconsin Center for Education Research and published by the department as a part of the 2022 [Educator Preparation Program and Workforce Analysis Report](#).

Feedback gathered from the LEAs provided valuable insights into the challenges they face in filling positions. The majority of school districts reported vacancies across all levels—elementary (84 percent), middle (75 percent), and high school (77 percent)—with Special Education teachers being particularly affected (74 percent).

Suburban districts generally rated the quality of their applicant pools higher than districts in other areas. However, nearly all respondents indicated they had few applications for vacancies, regardless of applicant qualifications.

To address insufficient applicant pools, districts commonly employed substitutes, hired teachers with Tier I permits or licenses, or accepted candidates below their preferred standards. The areas of greatest concern for shortages were Special Education (75 percent), math (59 percent), career and technical education (40 percent), science (38 percent), and speech-language pathology (32 percent).

Student teachers

A legally required part of the Wisconsin preparation process is the student teaching experience. It is during the candidates' full semester of student teaching, which occurs at the end of education preparation programs, that candidates experience the authentic, rigorous, sustained day-to-day reality of what a teacher must be able to do every single day. Candidates are guided by a master teacher during this clinical experience, and they hone their skills to demonstrate that they are "ready to teach" independently. Student teachers must have a licensed teacher in the classroom when they are teaching.

Student teaching can now exist as a full-time for a full-day placement during a school district's semester or one of the following alternatives:

- Alignment to the educator preparation program's semester or 15 weeks if no semester system or school operates on a trimester system.
- Allowance for substitute teaching (if licensed) for up to 10 days in the cooperating teacher's classroom.
- Half-time for two semesters. The two semesters must occur in a two-year period.

Student teachers are not required to be paid and in some cases are attending class and student teaching, as well as working an outside job to cover living expenses. By providing stipends for student teaching, the candidate can lessen their overall student debt and potentially remove the need to work a second job while student teaching. This in turn would allow the student to concentrate more of their time and energy on completing their studies and teacher preparation.

Cooperating teachers

The law requires the use of cooperating teachers as part of the teacher preparation process. This requires additional work and time from licensed teachers who take on these added work responsibilities. Anecdotally, the department has heard from school administrators that they are having difficulty recruiting teachers to take on this added role.

There is no required minimum amount for which cooperating teachers must be compensated for the additional work they perform as a cooperating teacher. The amount may vary depending on the schools in which they teach (the department does not collect this data). Providing a state funded minimum stipend to districts would support the recruitment of qualified licensed teachers to serve as cooperating teachers in the educational preparation of aspiring teachers, as required under state law.

Proposal

Student teachers

To address barriers to student teaching, and in its efforts to support future educators overall, the department requests \$36,000,000 GPR in FY27 for a new program to provide state-funded stipend payments to future educators completing their student teaching experience as a requirement of a department-approved educator preparation program. Under the department's proposal, teacher candidates in a student teaching placement would receive a stipend of \$10,000 per semester.

As noted previously, students in a traditional pathway must complete the student teaching component of their EPP. Students in an alternative pathway are not subject to this requirement. Therefore, in projecting the costs of this proposal, the total estimated number of traditional-pathway EPP completers is used to project the number of student teachers and cooperating teachers who would qualify for a stipend. The department assumed modest growth in the total number of teacher candidates cooperating teachers, as indicated in Table 1 below.

Under the department's proposal, stipends would be available to students completing their preparation programs for **their first license** and receiving instruction through a **Wisconsin-approved EPP**. Individuals engaged in a full semester, or an equivalent 15-week university semester of student teaching would be eligible for the student teacher stipend. Individuals completing their student teaching requirements on a part-time basis over two semesters (whether continuous or noncontiguous over two years), would also be eligible for the stipend, but would be spread out over the two semesters of part-time student teaching (i.e., \$5,000 per semester).

In determining eligibility for the stipend under the department's proposal, individuals that are student teaching while working full-time on a Tier I license (e.g., such as those pursuing a 1-year license with stipulations, completing a license via clinical pathway, etc.). Individuals that are working full time while enrolled in an apprenticeship program, or already-licensed individuals who are working towards subsequent licenses at the Tier II-level or higher, would not be eligible for this stipend.

Finally, to ensure that student teachers who accept stipends remain teaching in the state, the department proposes a requirement for them to commit to teaching in Wisconsin for five years. If they leave the field or relocate out of state before fulfilling this commitment, they will need to repay a prorated portion of the stipend at a rate of \$2,000 for each unfulfilled year. The Wisconsin Department of Revenue would be responsible for collecting these repayments.

Cooperating teachers

In recognition of the additional workload and responsibility required of a cooperating teacher, and in its efforts to support future educators overall, the department requests \$10,800,000 GPR in FY27 for a new program to provide state-funded stipend payments to licensed teachers serving as cooperating teachers for student teachers. Under the department’s proposal, cooperating teachers would receive a stipend of \$3,000 per semester to ensure that all cooperating teachers throughout the state receive remuneration for the valuable service they provide to future educators.

In projecting the cost of the proposal, the department assumes one cooperating teacher per individual completing the requirements of a department-approved educator preparation program. The department assumed modest growth in the total number of teacher candidates, as indicated in Table 1 below.

Table 1. Projected Cost of Future Educator and Cooperating Teacher Stipend Program

	FY27
Total estimated EPP completers*	3,600
Total Traditional EPP completers	3,600
<u>Student Teachers</u>	
Number	3,600
Payment per Student Teacher	\$10,000
Student Teacher Stipend Cost	\$36,000,000
<u>Cooperating Teachers**</u>	
Number	3,600
Payment per Cooperating Teacher	\$3,000
Cooperating Teachers Cost	\$10,800,000
TOTAL COSTS	\$46,800,000

** EPP completers: the department’s estimate for EPP completers, based on analysis of completers reported to the federal government (ed.gov), Title II, Higher Education Act: [Wisconsin \(2023\) Public Reports](#).

**A cooperating teacher may take on more than one student; this projection assumes one Cooperating Teacher for every 1.0 EPP student teacher.

The department requests a total of \$46,800,000 GPR beginning in FY27, in new sum-sufficient appropriations, to support the department’s future educator stipend proposal. Of the total, \$36,000,000 is requested for a program to provide state-funded stipend payments to teacher candidates in a student teaching placement. In addition, \$10,800,000 is requested for a program to provide state-funded stipend payments to cooperating teachers.

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The department also requests the creation of a similar stipend program for individuals pursuing a master's degree in library and information sciences who are placed in an internship in a public library. ***See DIN 5004 - Supporting Future Librarians.***

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6021 – GROW YOUR OWN EDUCATORS PROGRAM

229 – Grow your own educators; grants

s. 20.255 (2)(fj)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$5,000,000
Less Base	\$0	\$0
Requested Change	\$0	\$5,000,000

101 – General program operations

s. 20.255 (1)(a)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$72,500	\$96,600
Requested Position Authority	1.0 FTE	1.0 FTE

Request

The department requests \$5,000,000 GPR in FY27 in a new, annual appropriation, for a competitive grant program to reimburse local educational agencies (LEAs) for the cost related to “Grow Your Own” initiatives and programs, as a strategy for building the educator workforce in Wisconsin schools. The department also requests authority for 1.0 FTE GPR position to administer the proposed grant program.

Background

School districts are facing challenges in recruiting and retaining teachers and other school staff, making it difficult for many districts to fill positions. Additionally, the demographic makeup of classroom teachers does not reflect an increasingly diverse student population. These challenges have profound consequences for students, schools, and school districts.

Recruiting and retaining teachers and school staff has presented challenges for many years. According to a [2022 Education Commission of the States-Policy Guide: State Policy Levers to Address Teacher Shortages](#), many states have implemented one or more specific teacher recruitment policies to attract teachers to high-need areas (Wisconsin has done all but the last two on this list):

- Convening work groups and collecting teacher supply and demand data.
- Providing flexibility to design targeted teacher recruitment strategies.
- Creating career pathways and grow-your-own programs for high school students.
- Altering teacher preparation and licensure requirements.
- Creating mentoring and induction programs with an eye on retention.
- Leveraging career advancement policies by providing financial incentives (e.g., scholarships/grants/loan forgiveness, housing assistance, hiring bonuses).
- Providing incentives for retired teachers to return to the profession.

In the fall of 2023, the department surveyed school districts regarding staffing shortages during the prior (2022-23) school year. Findings were analyzed in collaboration with the Wisconsin Evaluation Collaborative within the Wisconsin Center for Education Research and published by the department as a part of the 2022 [Educator Preparation Program and Workforce Analysis Report \(published in April 2024\)](#).

Feedback gathered from the LEAs provided valuable insights into the challenges they face in filling positions:

- The majority of school districts reported vacancies across all levels—elementary (84 percent), middle (75 percent), and high school (77 percent)—with Special Education teachers being particularly affected (74 percent).
- While suburban districts generally rated the quality of their applicant pools higher than districts in other areas, nearly all respondents indicated they had few applications for vacancies, regardless of applicant qualifications.
- To address insufficient applicant pools, districts commonly employed substitutes, hired teachers with Tier I permits or licenses (i.e., one-year license/permit with stipulations), or accepted candidates below their preferred standards.
- The areas of greatest concern for shortages were Special Education (75 percent), math (59 percent), career and technical education (40 percent), science (38 percent), and speech-language pathology (32 percent).

Proposal

To help build the educator workforce in Wisconsin schools, the department’s proposal would create a new grant program that would reimburse LEAs for building teaching capacity in Wisconsin’s schools via “grow-your-own” (GYO) initiatives and programs – including pathways for staff to complete a program leading to an education degree and/or licensure, as well as support for student organizations that encourage high school students to pursue careers in education. GYO initiatives could include the following approaches and strategies:

- Sponsorship of high school clubs that expose students to, and provide opportunities for students to learn more about, careers in K-12 education.
- Support for a career pathway using dual enrollment for high school students
- Incentives to support paraprofessionals leading to licensure.
- Payment for costs associated with acquiring education necessary for licensure.
- Support for partnerships or collaborations with community organizations, educator preparation programs, or businesses focused on attracting or developing new teachers.

Grow Your Own Programs

The goal of GYO programs is to encourage school districts to build capacity within the school district by providing districts with the resources to grow their own qualified education staff. It would provide schools with a tool to address teacher and staff shortages in a way that avoids poaching of licensed staff from other school districts. It would particularly benefit smaller and more rural districts who may lack the resources to compete with larger districts recruiting new teachers.

One specific aim of creating a state-supported grant program for GYO initiatives is to encourage school districts that are experiencing staff shortages to support their existing teaching and paraprofessional staff in efforts to acquire appropriate credentials, benefiting both the school staff and their students.

Additionally, LEAs could use the grant award to pay the costs for existing staff to pursue additional educator credentials (e.g., degree in education, add-on licensure/certification in high need areas). A benefit of supporting further career development for existing staff while they are still employed within the LEA is that it allows those teaching and paraprofessional staff to avoid a disruption in their employment (i.e., they would not have to leave employment to pursue continued education and training). This would be beneficial to students as well because their education experience would be less likely to be disrupted due to staff leaving, resulting in more continuity of instruction and an environment more conducive to building and maintaining strong relationships between students and educators.

Grant Program Structure

The department will develop a framework for this grant program that will consider various factors in awarding grants to LEAs; factors could include the following (but not be limited to):

- School size (enrollments generally and/or the level of concentration of specific populations, such as students with disabilities or English learners)
- Existing school/district resources

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- Specific teacher recruitment challenges
- Shortage areas (e.g., Special ed, Bilingual/ESL)
- Current staffing level and types (e.g., paraprofessionals, licensed educators)
- Existing student organizations that center on the teaching profession

To accomplish the goal of building Wisconsin's educator pipeline, the department requests \$5,000,000 GPR beginning in FY25 for a new grant program that will reimburse LEAs for the costs of GYO educator initiatives and programs. The department also requests authority to create a 1.0 FTE GPR position to coordinate the proposed GYO grant program.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6022 – PEER REVIEW AND MENTORING GRANTS

226 – Grant program for peer review and mentoring

s. 20.255 (2)(fk)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$5,320,100	\$5,320,100
Less Base	\$1,606,700	\$1,606,700
Requested Change	\$3,713,400	\$3,713,400

Request

The department requests increases of \$3,713,400 GPR in FY26 and \$3,713,400 GPR in FY27, for increases in funding to support the development of mentoring programs and peer assistance for new teachers, under the existing grant program for peer review and mentoring. The proposed increases would triple state support ofr the program and provide an additional \$500,000 GPR annually to encourage participation from the state’s five largest school districts in the program.

Additionally, the department requests statutory changes that are intended to ensure a more effective distribution of grant funding, which include increasing the current law cap on grant awards under the grant program to \$50,000 and eliminating the requirement that school districts must apply as a consortium. The department also requests modifying the 20 percent match requirement to \$5,000 for participating districts to reflect the increase in grant awards. To accommodate participation by the state’s largest school districts in the grant program, the proposed statutory changes also include a maximum grant award of \$100,000 annually and a \$10,000 match requirement for those districts.

Finally, the department requests that the appropriation for the grant program be changed from a sum certain to a continuing appropriation, allowing the department to carry over any uncommitted budget authority each year for use in making grant awards in subsequent years.

Background

Research shows that peer review and mentoring can improve educator practice and student outcomes when implemented well. Peer review and mentoring programs are

especially important and effective for educators in the beginning years of their career⁹.

Research also reveals that peer review and mentoring programs for beginning teachers have a positive impact on three sets of outcomes: teacher commitment and retention, teacher classroom instructional practices, and student achievement¹⁰.

As required in ch. [PI 34](#), Wis. Admin. Code, Wisconsin school districts must provide mentoring and ongoing professional learning opportunities to beginning teachers during their first three years in the profession. Specifically:

PI 34.040 (5) District requirements. A school district employing a tier II license holder who has less than three years of full-time teaching experience shall provide all of the following:

(a) Ongoing orientation and support which is collaboratively developed by teachers, administrators, and other school district stakeholders.

(b) A licensed mentor who successfully completed a mentor training program approved by the department.

Additionally, the Wisconsin Educator Effectiveness System required under s. [115.415](#), Wis. Stats., recommends peer review, defined as observation of practice by a peer educator, as a best practice of the evaluation process.

The Peer Review and Mentoring Grant (PRMG) program is authorized under s. [115.405](#), Wis. Stats. It was created by the Wisconsin Legislature about 25 years ago to support mentoring programs and peer assistance development. Administered by the department, the PRMG provides grants to consortia of school districts, independent charter schools (ICS), and cooperative educational service agencies (CESAs) for new teacher mentoring and ongoing professional learning. However, CESAs may also apply individually. Grants may not exceed \$25,000 annually and must have a 20 percent match.

The PRMG has undergone several changes over time, including, most recently, a consolidation with the mentoring grants for initial educators under 2011 Wisconsin Act 32, the 2011-13 biennial budget. Individual grant funding has remained at \$1,606,700 GPR since the program was consolidated in FY13. However, the program's focus has remained to help school districts with new teacher support as required under ch. [PI 34](#).

⁹ Gray, L., and Taie, S. (2015). Public school teacher attrition and mobility in the first five years: Results from the first through fifth waves of the 2007-08 beginning teacher longitudinal study. Washington, D.C.: National Center for Education Statistics. <https://nces.ed.gov/pubs2015/2015337.pdf>

¹⁰ Ingersoll, R., & Strong, M. (2011). The impact of induction and mentoring programs: A critical review of the research. *GSE Publications*, 81(2). <https://doi.org/10.3102/0034654311403323>

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Many kinds of activities are allowable under the PRMG to support mentoring and professional development, including but not limited to:

- Salary and fringe benefit costs for teachers, peer reviewers, mentors, or other educators to attend training or engage in peer review and mentoring activities such as classroom observation or coaching conversations.
- Salary and fringe benefit costs for administrators or other support staff to engage in training curriculum design or program management.
- Purchased services for training, coaching, or other services in support of peer review and mentoring grant programs.
- Non-capital objects, such as consumable resources, that support the peer review and mentoring grant program like professional learning books, resources, or supplies, etc.
- Capital projects, incentives, and gifts are unallowable expenses under the grant, and state grant dollars must be used to supplement, and not supplant, local funds.

PRMG Awards

In the 2023-24 school year, the department made 58 PRMG awards to 135 school districts with funding to support mentor training and mentoring activities. All of the state's CESAs also received awards in that year to support the costs of developing or conducting training programming for mentors or teachers. If the volume of grant applications exceeds the amount of funding available, grant awards are prorated, as was the case in the 2023-24 school year and in most grant cycles.

[An analysis conducted in 2023 by the Wisconsin Education Collaborative \(WEC\)](#) indicates that the largest share of PRMG grants by far go to smaller districts with a town or rural locale code¹¹. Additionally, no PRMG awards go to large school districts located within a city locale, as designated by the National Center for Education Statistics. This trend is likely reflective of the small size of the grant awards (Arrigoni et al., 2023).

At the school district level, it is difficult to summarize intended funding since applicants report their planned budgets in diverse ways, and partner districts within a consortium often plan to use their portion of the grant award differently when compared to the applying agency (Arrigoni et al., 2023). However, grantees generally allocated their PRMG award according to three general patterns:

¹¹ Arrigoni, J., Carl, B., Carroll, M., Joannes, K., Kimball, S., and Milanowski, A. (2023). Peer review and mentoring grant evaluation report for the Wisconsin Department of Public Instruction. Madison, WI: Wisconsin Education Collaborative. <https://dpi.wi.gov/sites/default/files/imce/education-workforce/pdf/peer-review-mentoring-grant-evaluation-report-2023.pdf>

- Professional learning for mentors or coaches from outside vendors, which are usually CESAs, such as the Dane County New Teacher project.
- Mentor stipends and substitute teacher coverage, and stipends for new teachers and district administrative staff to coordinate efforts.
- Externally provided professional learning and stipends for mentors, substitutes, and/or new teachers.

At the CESA level, grantees generally allocated their PRMG award for salaries and fringe for CESA staff or outside vendors to develop or conduct training programming for mentors or teachers (Arrigoni et al., 2023). CESAs identified various needs to be addressed by their PRMG awards, primarily focusing on addressing student achievement, increasing the number of trained mentors, and improving teacher retention. Specific initiatives included cross-district principal learning communities, training focused on data inquiry, and support for new administrators. The CESAs also offered diverse mentor training programs, with some based on mentoring essentials developed by the department and others leveraging the New Teacher Center or curricula developed in-house.

Another analysis conducted by WEC in 2024 highlighted the program's positive impact perceived by district and CESA leaders on developing mentor training and supporting new teachers. Both district and CESA leaders acknowledged the role of PRMG funding in establishing and expanding mentor training programs, with many CESAs acknowledging that they would not have pursued without this financial support due to budget constraints¹². This funding enabled reduced-cost or free mentor training, mentor networks, and stipends, allowing participation in training outside regular work hours.

Additionally, according to the study, district leaders attributed new induction and mentoring initiatives to PRMG support, noting that it enhanced professional development opportunities for educators and mentor feedback (Arrigoni et al., 2024). District and CESA leaders credited the PRMG with contributing to improved teacher retention, higher satisfaction levels among educators, and a notable trend of mentor-trained personnel remaining within their districts.

Need for Additional Support

Common themes on effective practices that are referenced within the studies on peer review and mentoring in Wisconsin include the need for high quality mentors, adequate

¹² Arrigoni, J., Carl, B., Carroll, M., Joannes, K., Kimball, S., and Milanowski, A. (2024). Peer review and mentoring grant evaluation: Year 2 summary of studies for the Wisconsin Department of Public Instruction. Madison, WI: Wisconsin Education Collaborative. <https://dpi.wi.gov/sites/default/files/imce/education-workforce/pdf/peer-review-mentoring-grant-evaluation-report-2024.pdf>

shared time for mentoring activities, professional learning for mentors and beginning teachers, and support by school leaders for the system of mentorship (Arrigoni et al., 2023). However, the \$25,000 limit per grant award, along with the continuous proration of grant awards each year due to high demand for the program, may present a barrier to some school districts seeking to establish and support a meaningful mentoring and induction program for new educators in their schools.

For example, in the 2023-24 school year, there were more applicants than the amount available to fund each project at the maximum amount allowable, necessitating grantees to reduce their proposed allocations intended for mentoring and induction (Arrigoni et al., 2024). District and CESA leaders argue that increased state support for the PRMG could improve district mentor and induction programs, specifically in areas related to mentor training, certifications, and compensation for mentors (Arrigoni et al., 2024).

Additionally, while applicants are asked to identify the degree to which they are meeting mentoring and induction requirements laid out in ch. PI 34 and other desirable, research-based professional practice outcomes, it is difficult to determine since PRMG applications represent consortia of two or more districts and not individual school districts (Arrigoni et al., 2023). Accordingly, it is difficult to determine whether school districts are seeing an even impact in teacher retention, professional practice, or student outcomes under the current program (Arrigoni et al., 2023). It is also likely that the requirement that school districts must apply as a consortium to receive grant funding presents another barrier to school districts seeking to establish a mentoring and induction program, which may contribute to the current level of participation in the program.

Given the direct link between a robust mentoring program with teacher retention and student outcomes, the department requests statutory changes that are intended to ensure a more effective distribution of PRMG funding. These include increasing the current law cap on grant awards to \$50,000 and eliminating the requirement that school districts must apply as a consortium. Additionally, the department requests changing the 20 percent match requirement to the lesser of 20 percent of the amount of the grant awarded or \$5,000, as a higher match amount may not be feasible for grantees with an increased grant award.

The department believes increasing the current law grant award cap while eliminating the consortium requirement under the PRMG funding program could lead to increased participation in the program, particularly as individual school districts apply independently. This approach would also enable the department to accurately evaluate the degree to which applicants are meeting current law mentoring and induction requirements and achieving other desirable, research-based professional practice outcomes.

To ensure that an increased number of applicants can receive fully funded grants at the maximum allowable amount, thus better supporting the development of mentoring programs and peer assistance for new teachers, the department requests an increase of

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\$3,713,400 GPR to the existing PRMG appropriation beginning in FY26. The proposed increase would triple the amount of grant funding available relative to the existing appropriation (\$3,213,400 GPR beginning in FY26). Assuming the appropriation were increased, 96 applicants could be fully funded with a \$50,000 award cap. Additionally, the proposed increase would provide an additional \$500,000 GPR annually to encourage participation from the state's five largest school districts in the program. This incentive includes a maximum award cap of \$100,000 annually and a \$10,000 match for those districts.

Finally, the department requests that the appropriation be changed from a sum certain to a continuing appropriation, allowing the department to carry over uncommitted budget authority each year for use in making grant awards in subsequent years. These changes are proposed to make the peer review and mentoring grant program more accessible and more effective, ultimately leading to better outcomes in terms of teacher commitment and retention, teacher classroom instructional practices, and student achievement.

Proposal

The department requests increases of \$3,713,400 GPR in FY26 and FY27, for increases in funding to support the development of mentoring programs and peer assistance for new teachers, under the grant program for peer review and mentoring. The proposed increases are intended to triple the amount of grant funding available, relative to the existing appropriation, and provide an additional \$500,000 GPR annually to encourage participation from the state's five largest school districts in the program.

Additionally, the department requests statutory changes which include increasing the current law cap on grant awards under the grant program to \$50,000 and eliminating the requirement that school districts must apply as a consortium. The department also requests modifying the 20 percent match requirement to the lesser of 20 percent of the amount of the grant awarded or \$5,000 for participating districts to reflect the increase in grant awards. To accommodate participation by the state's largest school districts in the grant program, the proposed statutory changes also include a maximum grant award of \$100,000 annually and a \$10,000 match requirement for those districts.

Finally, the department requests that the appropriation for the grant program be changed from a sum certain to a continuing appropriation, allowing the department to carry over any uncommitted budget authority each year for use in making grant awards in subsequent years.

Statutory Language

The department is proposing any statutory language related to this request.

DECISION ITEM 6023 – EDUCATORS RISING

320 – Educators rising; grants

s. 20.255 (3)(cn)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$500,000	\$500,000
Less Base	\$0	\$0
Requested Change	\$500,000	\$500,000

Request

The department requests an increase of \$500,000 GPR in FY26 and \$500,000 GPR FY27 to support Educators Rising-Wisconsin efforts to encourage more high school students to explore future career opportunities in education.

Background

[Educators Rising](#) is an organization that helps students explore careers in education and works with partners in higher education to create education career pathways that prepare high school students enter post-secondary teacher preparation programs. Formerly called Future Teachers of Wisconsin, Educators Rising is a student organization that centers on the teaching profession to provide an opportunity for students to explore careers in education. [Educators Rising-Wisconsin](#) is the state’s affiliate with Educators Rising (ER). There are currently 98 state chapters across Wisconsin.¹³

Expanding student participation in student organizations presents challenges, including getting students interested in joining and finding teachers who have the time and capacity to serve as advisors, as well as the costs associated with establishing chapters and attendance at state, regional, and national conferences and events.

This request would provide funds to Educators Rising-Wisconsin to maintain and expand current chapters and reduce financial barriers to student participation in this career-oriented school organization.

Examples of where the funding could be directed include start up fees for new chapters, paying for student membership fees and advisor stipends. Covering conference

¹³ [Educators-Rising-News-Release-2024-final.pdf](#)

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attendance (state and/or national) to enable more students and their advisors to attend conferences and compete in state, regional and national competitions.

Proposal

The department requests an increase of \$500,000 GPR in FY26 and \$500,000 GPR FY27 to support Educators Rising-Wisconsin efforts to encourage more high school students to explore future career opportunities in education.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6026 – TEACHER APPRENTICESHIP

152 – Teacher Apprenticeship

s. 20.255 (1)(ej)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$10,000,000	\$10,000,000
Less Base	\$0	\$0
Requested Change	\$10,000,000	\$10,000,000

Request

The department requests an increase of \$10,000,000 GPR in FY26 and \$10,000,000 GPR in FY27 to support the department’s work, in partnership with institutions of higher education, the Wisconsin Technical College System, and the Department of Workforce Development, to develop a robust Teacher Apprenticeship program. The department requests that the funding be provided in a new, continuing appropriation.

Background

In the 2021-22 school year (the most recent year such data is available), Wisconsin school districts were not able to find a qualified, licensed individuals for over 3,300 positions. This number has risen each year. In the department’s most recent survey of school districts (administered in late 2023), district leaders reported few or no applications for filling vacancies and reported vacancies at all grade-levels. The department’s most recent Educator Preparation Program and Workforce Analysis Report showed that almost 40 percent of first-year teachers either leave Wisconsin or leave the teaching profession. Only 68 percent of those who complete an education preparation program ultimately sought employment as a teacher.

The federal government offers a program to address workforce shortage areas – the Registered Apprenticeship program. Apprenticeship is a type of post-secondary education, but apprentices learn a portion of their skills in a traditional classroom and most of their training in a paid job. In the case of the teaching profession, apprenticeship allows a potential teacher to progress through educational requirements while working in a school setting. Apprenticeships are available to candidates with varying backgrounds, including high school graduates and individuals who possess a Associate’s or Bachelor’s degree.

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In Wisconsin, the Department of Workforce Development (DWD) administers and monitors the Registered Apprenticeship program. The DWD has crafted a job book, which acts as a scope and sequence, for candidates and employers to understand what is required of the apprenticeship. The job book aligns with Wisconsin's standards for teaching.

Currently, Wisconsin's registered apprenticeship program is funded by a direct, federal allocation to support high-need workforce areas. This is a one-time investment into apprenticeship programs for Wisconsin. Some of that money was directed at an educator apprenticeship program. School districts currently participating in and benefitting from this apprenticeship program are Appleton, Elmbrook, and Wauwatosa. Those districts are partnering with Lakeland University and the Wisconsin Technical College System.

Because there are limited federal apprenticeship dollars, each of the Wisconsin apprenticeship programs are competing against each other for funding of their apprenticeship programs. With the critical need for teachers, the department requests a dedicated funding source for a teacher apprenticeship program.

Proposal

To address the educator workforce needs and fully staff all schools, the department requests the creation of a continuing appropriation, funded with \$10,000,000 GPR annually, beginning in FY27. This appropriation will be used for the express purpose of executing a contract with DWD and other partners in higher education to administer a teacher apprenticeship program statewide.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6027 – FOUNDATIONS OF READING TEST

Request

The department requests that the current law requirement that an individual successfully pass the Foundations of Reading Test as a requirement for obtaining certain licenses to teach in the state of Wisconsin be eliminated from state law.

Background / Proposal

In 2011, Wisconsin passed Act 166, which required that starting in January 2014, applicants for specific teaching positions, including elementary, special education, and reading teachers, must pass the Foundations of Reading Test (FORT). The FORT was implemented as designed for the state of Massachusetts with a passing score recommended for Wisconsin by the developer of the test, which is Pearson. In 2019, Wisconsin Act 44 amended the law to offer an alternative specifically for candidates for a special education teaching license. This alternative consisted of coursework focusing on essential reading skills like phonics, vocabulary, and reading comprehension, alongside feedback from a reading expert and the demonstration of competence through a portfolio.

In response to updates to the Massachusetts FORT, Wisconsin had to update to that version of the test. Updates to the test went into effect in January 2023. The test has been moved into Pearson's national series, which means applicants will be able to take the FORT for free after their third attempt. Additionally, the FORT is now accompanied by an alternative assessment that is available to people who were close to passing. Massachusetts and many other states have approved the use of this alternative.

The FORT has faced criticism for preventing many teacher candidates from entering the profession due to its low pass rates. Data from the [2022 Educator Preparation Program and Workforce Analysis Report](#) shows that around one-third of candidates fail to pass the test, with significant racial disparities. For instance, only 17 percent of Black candidates passed on their first attempt, compared to 62 percent of White candidates. The test is both expensive and time-consuming, and candidates must wait at least 30 days between attempts. Despite these challenges, no research has demonstrated that passing the FORT correlates with becoming an effective teacher.

The impact of the FORT's low passage rates is evident in Wisconsin's teacher workforce. In the 2021-22 testing period, the first-time pass rate dropped to 48 percent, down from 66 percent in 2014-15. Candidates who fail the test are not considered program completers and until they pass the FORT, they cannot obtain a Tier II teaching license (i.e., a three-year "provisional" license that precedes a Tier III lifetime license). They can work under a Tier I one-year license with stipulations but must retake the test every year to

renew the Tier I one-year license with stipulations and pass the test to earn a Tier II license.

Under Wisconsin Statute, the Legislature created an online-only program, via the American Board for Certification of Teacher Excellence (ABCTE), that leads to a Tier II license. ABCTE's program is exempted under state statute from many licensing requirements, including the reading requirement. Specific license areas via the ABCTE pathway that are exempted from the FORT requirement are: English Language Arts (4-12), Social Studies (4-12), Mathematics (4-12), and Science (4-12); however, this exemption is not available for individuals seeking licensure via other pathways.

The implementation of a new FORT version by Pearson in the fall of 2022 has further complicated the situation. This new version mirrors the one used in Massachusetts, and Wisconsin candidates must take and successfully pass the same test. Despite the ability to retake the test multiple times a year, pass rates in Wisconsin have continued to decline. In 2021-22, only 48 percent of first-time test-takers passed, and 56 percent passed after multiple attempts. These trends indicate that the FORT has become a greater obstacle for teacher candidates, especially those in the most recent cohorts.

Disparities in pass rates by gender and race further highlight the challenges in ensuring equitable access to teaching licensure. Female candidates had higher pass rates than male candidates, with 49 percent passing on their first attempt compared to 39 percent for males. Racial and ethnic disparities were even more significant. White candidates had the highest pass rates, with 51 percent passing on their first attempt and 60 percent on any attempt, while Black candidates had a mere 14 percent first-time pass rate and 20 percent overall. Research has also shown that having a teacher of the same race is important for students of color^{14, 15, 16}. Unfortunately, schools around Wisconsin are facing teacher shortages in general and a dearth of teachers of color specifically – only one in twenty teachers in Wisconsin public schools identifies as a person of color compared to one in three students. These disparities underscore the critical issue of diversity within the workforce and the barriers the FORT creates for non-White candidates.

Finally, 2023 Wisconsin Act 20 made various changes relating to early literacy instruction, curriculum, assessments, and interventions, as well as teacher licensing preparation. The Act introduced significant changes to reading coursework for students enrolled in

¹⁴ Cleveland, C., & Scherer, E. (2024). The Effects of Teacher-Student Demographic Matching on Social-Emotional Learning. (EdWorkingPaper: 21 -399). *Annenberg Institute at Brown University*.
<https://doi.org/10.26300/3xq6-4k05>

¹⁵ Gershenson, S., Hart, C. M. D., Hyman, J., Lindsay, C. A., & Papageorge, N. W. (2022). The long-run impacts of same-race teachers. *American Economic Journal: Economic Policy*, 14(4), 300-342.
<https://doi.org/10.1257/pol.20190573>

¹⁶ Gershenson, S., Holt, S. B., & Papageorge, N. W. (2016). Who believes in me? The effect of student-teacher demographic match on teacher expectations. *Economics of Education Review*, 53, 209-224.
<https://doi.org/10.1016/j.econedurev.2016.03.002>

educator preparation programs, specifically in the shift to science-based early reading instruction and a ban on three-cueing models. These changes aim to improve reading instruction and are duplicative of the purpose for which the FORT was implemented. The department believes the work involved in completing this instruction will be deeper and more dynamic than the impact of taking a one-time test.

Given the teacher shortages in Wisconsin, the need to retain educators, the expected impact of Act 20 on teacher preparation, and the lack of impact as evidenced in test scores since the FORT was implemented, the department recommends elimination of the FORT requirement for educator licensure to ease the barrier into the profession.

Statutory Language

The department is proposing statutory language related to this request:

Eliminate the successful passage of the FORT [exam] as a requirement for obtaining a license to teach in the state of Wisconsin: [Repeal Wis. Stat. s. 118.19 \(14\)](#).

DECISION ITEM 6008 – REHIRED ANNUITANTS

Request

The department requests that current law be modified to adjust the criteria under which retired Wisconsin Retirement System (WRS) annuitants could be rehired to work, without suspending their annuity, such that only 30 days must pass since the employee left employment with a participating WRS employer, rather than 75 days (current law). This includes rehiring WRS annuitants who are retired former teachers to work in schools.

Proposal

While the department proposes that changes be made to current law that impact all retired WRS annuitants, the department emphasizes the importance of this change for schools, as it would be part of a larger strategy to address the shortage of teachers in schools throughout the school - to incentivize and encourage retired former teachers to return to the classroom.

Statutory Language

The department is proposing statutory language related to this request.

Modify current law pertaining to hiring retired WRS annuitants, such that:

- At least 30 days [*rather than the current law 75 days*] have passed since the employee left employment with a participating employer, and
- At the time of retirement, the employee does not have an agreement to return to work; and
- Upon returning to work, the employee elects to not again become a participating employee in the WRS.

Preparing Students for Career and College

DECISION ITEM 6030 – ACADEMIC AND CAREER PLANNING

10700 – Academic and career planning

s. 20.255 (1)(em)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$1,183,000	\$1,407,000
Less Base	\$1,100,000	\$1,100,000
Requested Change	\$83,000	\$307,000

Request

The department requests \$86,700 GPR in FY26 and \$307,000 GPR in FY27 to support Academic and Career Planning services to school districts throughout the state.

Background

Academic and Career Planning (ACP) equips students and their families with tools to make informed decisions about postsecondary education, training, and careers. The program was created as part of the 2013-15 biennial budget (2013 Act 20) and is funded by a \$1,100,000 GPR continuing appropriation established in FY15.

Under Wis. Stat. Sec. [115.28 \(59\)](#), the state superintendent is required to:

- Ensure that every school board provides ACP services to pupils enrolled in grades 6-12 (beginning in the 2017-18 school year).
- Provide software to be used statewide to provide said ACP services.
- Produce guidance for and provide technical assistance to school districts on how to implement model ACP.
- Promulgate necessary rules.

The department meets these obligations by procuring college and career planning software, Xello (formerly Career Cruising) and making the software available to school districts. Funding is also allocated for contracts with the 12 Cooperative Educational Service Agencies (CESAs) to support ACP coordinators who provide training and technical assistance to school districts with ACP implementation. Finally, the department previously contracted with the Wisconsin Center for Education Research (WCER) to conduct evaluations of ACP. The 2024-25 school year is the eighth year of the department’s Xello contract (the current contract with Xello will expire June 30, 2025). All 421 school districts use Xello.

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ACP Appropriation

The appropriation for ACP is a continuing appropriation, meaning uncommitted budget authority remaining at the end of a fiscal year carries over into the following fiscal year. The Legislature constructed the ACP appropriation this way because it recognized that it would take time for the department to identify an appropriate software vendor and to determine how to best deliver training and technical assistance to school districts for implementing ACP. While the \$1.1 million appropriation started in FY15, the department was required to have the ACP tools available so that all school districts could offer ACP to students in grades 6 through 12, beginning with the 2017-18 school year.

Table 1 below shows expenditures for ACP contracts and the carryover budget authority each year, from FY19 through FY24. Initial spending levels in FY15 and FY16 were much lower than the \$1.1 million appropriation, resulting in carryover of uncommitted expenditure authority. The accumulated carryover expenditure authority was \$1,965,739 going into FY17, the first year that the contracts were firmly in place.

Table. 1 ACP Expenditures, FY19 to FY24

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>
Carryover*	\$1,429,074	\$1,118,568	\$876,442	\$445,749	\$430,705	\$270,972
GPR Appropriation	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000
Available Balance	\$2,529,074	\$2,218,568	\$1,976,442	\$1,545,749	\$1,530,705	\$1,370,972
<u>Expenditures</u>						
Software: Xello (formerly Career Cruising)*	\$915,573	\$920,482	\$1,097,968	\$756,994	\$985,689	\$979,097
CESA Contracts (Tech Assistance)**	\$205,507	\$263,995	\$270,225	\$298,250	\$120,000	\$132,400
WCER Contract (Evaluation)	\$284,759	\$150,000	\$162,500	\$137,500	\$100,000	\$0
Other**	\$4,667	\$7,650	\$0	(\$77,700)	(\$23,456)	\$6,469
Total Expenditures	\$1,410,506	\$1,342,127	\$1,530,693	\$1,115,044	\$1,182,233	\$1,117,966
Uncommitted (carries over into following year)	\$1,118,568	\$876,442	\$445,749	\$430,705	\$270,972	\$253,006

Source: STAR-FIN, Annual Appropriation Overview Reports.

*FY21 & FY22: Xello contract amounts split between fiscal years (accounting technicality). FY23: CESA contracts total was \$144,000, of which \$24,000 was charged to the WISELearn appropriation.

** "Other" includes LTEs, professional development (DPI staff), and corrective accounting entries.

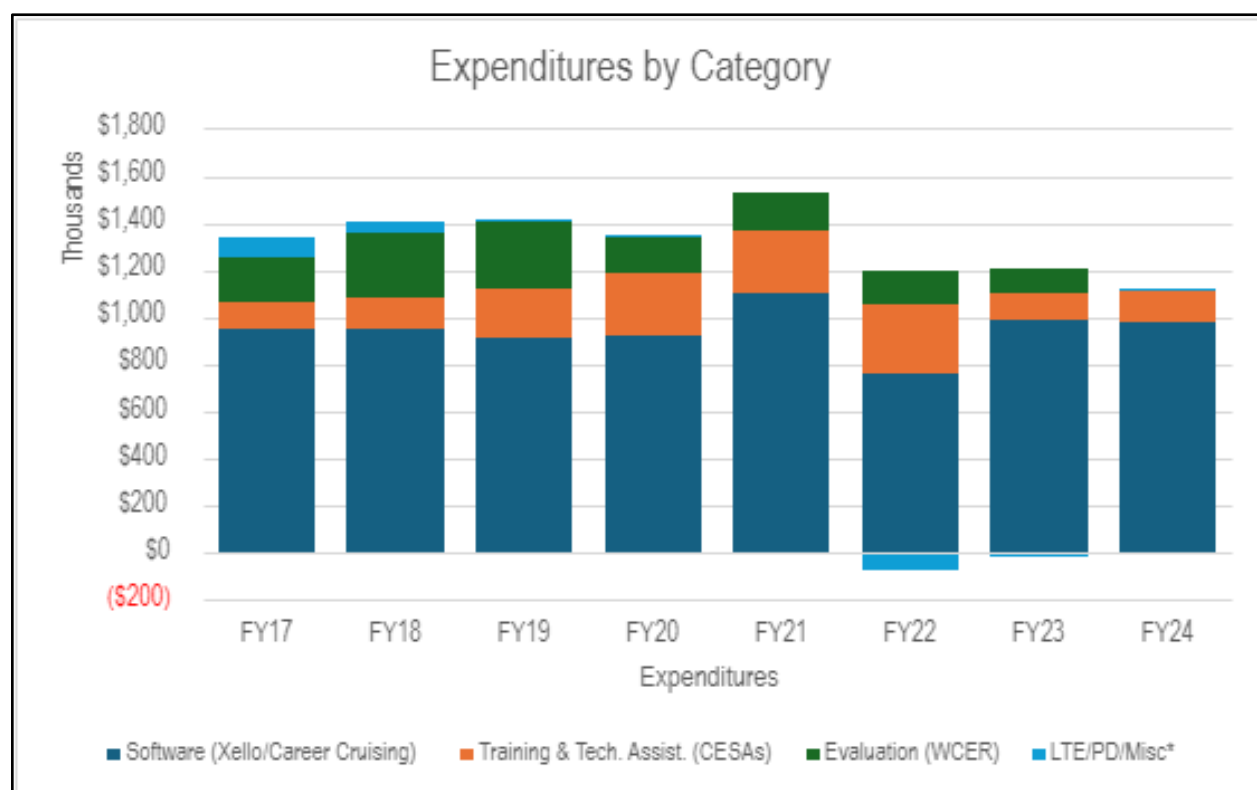
Over time, as the costs of the ACP related contracts and work increased, the appropriation remained flat, thereby reducing the amount of expenditure authority

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carried over each fiscal year. The ACP program entered FY24 with \$270,972 in carryover and then just \$253,006 coming into FY25.

From FY17 through FY24, the software contract comprised between 65 and 88 percent of expenditures. Expenditures for other purposes have been more variable: contracts with CESAs for training and technical assistance (8 to 27 percent) and contracts with WCER for evaluations (8 to 20 percent). Miscellaneous costs comprised less than one percent, on average, in years with those expenditures.

Figure 1.



Source: STAR-FIN.

*Negative values for the "LTE/PD/ Misc" include corrective accounting entries.

Supporting Robust ACP Services

Software (Xello Contract)

The department is charged by Xello based on the current total population of public middle school and high school students. Accounts are created for all students; however, many remain unused due to lack of program support for a school district in engaging students to make the best use of Xello. Thus, the Xello contract costs will be a function of total student accounts and the price per account.

One factor affecting the number of student accounts is, of course, the overall trend in the school age population in the state. According to a 2023 report from the University of Wisconsin System (UWS), the population in Wisconsin is generally aging; at the same time, the birth rate (births per 1,000 population) in Wisconsin has been declining, from 12.9 in 2000 to 10.4 in 2020 (Wisconsin and the UW System – Facts and Trends, May 2023)¹⁷. The report projects a decline in the number of high school graduates in the state. The UWS report suggests that the number of school age children throughout the state is likely to decline, or at best, remain flat.

Another factor to be considered is the extent to which enrollments in independent charter schools (ICS) and in private schools are an increasing share of school enrollments throughout the state. Non-school district schools are not required to provide ACP services to their students. Even if the general school age population remains stable, the number of students for whom ACP accounts are generated could decline.

While a decrease in student accounts may lead one to anticipate lower contract costs, the costs will also be impacted by the price per student account negotiated between the department and Xello. In projecting the costs of the Xello contract beyond the current biennium, the department assumes flat (potentially decreasing) enrollments (student accounts) but potentially higher per-account pricing.

In the upcoming negotiations for the next contract, the department will seek to negotiate the best possible price for the Xello contract, in order to increase the amount of available funding that can be directed to providing robust training and technical assistance for schools. Program staff who work with the ACP program and who manage the negotiations and contract with Xello have determined it would not be cost effective to seek a different contractor than Xello, as starting over with a new contractor would set back the progress on ACP by several years. Program staff estimate the contract with Xello will be \$985,000 annually.

Training and Technical Assistance

Program staff on the department's Career and Technical Education (CTE) team indicate there is a continued, growing need for effective technical assistance and training for districts, as they scale up capacity to deliver ACP with fidelity. **Robust training and technical assistance is the key to promoting student engagement in using Xello and thereby maximizing the effectiveness of the tool for ACP.** However, due to the budgetary constraints described above, the CTE team is not able to direct as much of the existing ACP funding to training and technical assistance for school districts as in previous years.

¹⁷ Wisconsin and the UW System – Facts and Trends, May 2023 (University of Wisconsin System). https://www.wisconsin.edu/president/download/UWFactsTrends_May2023.pdf (accessed on 6/1/2024).

As demonstrated in Figure 1 (above) the amount dedicated to training and technical assistance (contracts with CESAs) has been as much as \$298,250 in FY22. In recent years, the amount had to be decreased to less than half that amount. The department estimated the cost of those contracts will be \$159,000 for FY25. Decreasing availability of funding for training and technical assistance compromises school districts' ability to fully engage students in ACP. The department's budget proposal reflects the prioritization of training and technical assistance as an integral component of ACP, with a request that will allow for 30 percent of the total ACP funding to be dedicated to supporting this work.

Evaluation

The department previously maintained an annual contract with the Wisconsin Center for Education Research (WCER) to conduct a longitudinal study of the ACP program. However, these contracts were cut in FY24, as the increasing costs could not be covered by the flat appropriation. The WCER's research was intended to evaluate the impact of ACP practices on student outcome measures. While this research is not specifically required in statute, it was considered valuable, as it helped inform the CTE team's decisions about resource allocation and targeting service – and ultimately, to provide services that would improve student outcomes.

The table below shows the estimated costs for the current fiscal year (FY25). If the department were to hold costs constant through the next biennium, the appropriation would continue to have a decreasing balance carrying forward. However, it is not certain that the contract with Xello could be held to the current amount.

Table. 2 Projected Balances, Cost-to-Continue and Proposal

	<u>FY25</u> <u>(Budget)</u>	<u>FY26 - CTC</u>	<u>FY27 - CTC</u>	<u>FY26 -</u> <u>Proposal</u>	<u>FY27 -</u> <u>Proposal</u>
Carryover	\$253,000	\$224,000	\$195,000	224,000	0
GPR Appropriation	\$1,100,000	\$1,100,000	\$1,100,000	1,100,000	1,100,000
Available Balance	\$1,353,000	\$1,324,000	\$1,295,000	\$1,295,000	1,100,000
<u>Expenditures</u>					
Software contract (Xello)	\$970,000	\$970,000	\$970,000	\$985,000	\$985,000
Training/Tech Assist (CESAs)	\$159,000	\$159,000	\$159,000	\$422,000	\$422,000
Total Expenditures	\$1,129,000	\$1,129,000	\$1,129,000	\$1,407,000	\$1,407,000
Uncommitted (+) / Shortfall (-)	\$224,000	\$195,000	\$116,000	-\$83,000	-\$307,000
Budget Request				+\$83,000	+\$307,000

Proposal

The department’s proposal for the upcoming biennium is based on a projected cost of \$985,000 annually for the Xello contract and an increase in funding for the contracts with CESAs to provide robust training and technical assistance to school districts. The \$422,000 annually amount proposed for this purpose represents 30 percent of the combined costs for software and for training and technical assistance.

In summary, the department requests increased funding of \$83,000 in FY26 and \$307,00 in FY27, to meet its statutory requirements to provide ACP services to students across the state. This proposal would increase support for training and technical assistance to school districts to ensure robust student engagement in the ACP programs and activities.

Statutory Language

The department is not proposing statutory language related to this request.

DECISION ITEM 6031- EXPANDING CAREER AND TECHNICAL EDUCATION AND CAREER PATHWAYS

283 - Aid for career and technical education

s. 20.255 (2)(dk) *NEW*

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$44,815,000
Less Base	\$0	\$0
Requested Change	\$0	\$44,815,000

101 - General program operations

s. 20.255 (1)(a)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$72,500	\$96,600
Requested Position Authority	1.0 FTE	1.0 FTE

Request

The department requests \$44,815,000 GPR in FY27, for a new categorical aid program designed to expand Career and Technical Education (CTE) courses and career pathway offerings for students in schools throughout Wisconsin. A new appropriation would be created for this purpose. The department also requests authority for 1.0 FTE GPR position to administer the proposed new aid program.

Background

The department holds the vision that all students should have access to robust quality career pathways and opportunities for meaningful engagement that provide students with a strong foundation for future success.

The department defines a high school career pathway as a series of connected career and technical opportunities that move seamlessly into a postsecondary option for a specific career area and includes the following elements: a sequence of CTE courses, opportunities to earn industry-recognized credentials, work-based learning experiences, career and technical student organization-related activities, and dual enrollment

opportunities. All students should be able to participate in a career pathway that provides students with the opportunities to take at least two CTE courses within a pathway and participate in at least two of the additional elements.

[Advance CTE](#) is a non-profit, national association representing State CTE Directors and related professionals. According to the “State of CTE” report issued by Advance CTE (September 2023), states that provide direct support to schools for CTE do so under funding models that fall into three general categories: foundational, categorical, and hybrid funding models¹⁸.

1. Foundational funding model – CTE programs are financed out of general state aid formulas. Local administrators decide how funds are allocated across educational priorities (which may or may not include CTE).
2. Categorical funding models:
 - a. Cost-reimbursement – Local Educational Agencies (LEAs) are reimbursed for prior year CTE related costs based on reported actual expenditures.
 - b. Student-based allocation – States distribute funds based on the number of students enrolled in CTE courses, using a full-time equivalency (FTE) or average daily membership calculation.
 - c. Unit-based allocation – States distribute funds based on a set number of educational units used by schools to deliver CTE; units may include students, instructors, equipment, or materials.
3. Hybrid funding model – States allocate funds using a combination of components from more than one categorical funding approach, or use the foundational funding model along with an optional categorical funding approach.

According to the State of CTE report, only six states do not have some type of funding dedicated to the development of CTE programs in public schools, or they rely primarily on the state’s general K-12 funding formula to provide resources to schools for CTE. The report places Wisconsin in this category (along with Alaska, Maryland, Nebraska, Oregon, and South Dakota). While there is currently no state aid program that directly supports the development and/or expansion of CTE appropriated as program of the department, there are a few state-funded appropriations located in a different state agency that support CTE in some manner. Those programs will be discussed later in this paper.

According to Advance CTE, over the past decade, 27 states have increased their funding of secondary CTE ranging from \$76,000 to \$2.9 billion (state average of \$182 million).

¹⁸ The State of Career Technical Education: An Analysis of State Secondary CTE Funding Models, Advance CTE, September 2024, https://careertech.org/wp-content/uploads/2023/09/2023_State_of_CTE_Research_Report_Advance_CTE.pdf (accessed 10/6/2024).

Over eight million secondary learners, or almost 17 percent of all public-school learners, participated in a CTE program during the 2020-21 academic year.

Limitations of Existing Programs for K-12 CTE

Currently in Wisconsin, aid programs that support CTE do not provide schools with stable, predictable funding. The existing programs do not support the long-term development of existing CTE programs or the expansion of CTE programs to provide new CTE courses and/or pathways within schools. Further, current programs do not offer the flexibility that schools require to implement CTE in a manner that meets the needs of their students or communities. Existing CTE aid programs are described below.

Programs Administered by the Department of Workforce Development

Career and Technical Education (CTE) Incentive Grant

This program provides support based on industry-recognized certifications (IRC) approved by the Department of Workforce Development (DWD). While the appropriation for the CTE Incentive Aid program is located with DWD, state law requires DWD to work with the department to administer this program¹⁹.

This program is limited in that it provides an incentive payment up to \$1,000 to school districts for each student who successfully completes an IRC program and graduates from high school. The aid amount is the the same, regardless of what the IRC completed by the student. Funding is provided in a sum-certain appropriation; thus, when the combined aid eligibility of all school districts exceeds the appropriation, payments are prorated.

For the class of 2023 high school graduates, a total of 13,125 claims from 339 school districts were submitted for payment. Of those submissions, 11,209 claims were approved for payment. With a total appropriation of \$8,000,000, the payments were prorated, resulting in payments of \$713.71 per student (payments made in FY24).

CTE Completion Awards for Students

This program, also administered jointly by the department and DWD, provides a state-funded payment directly to students who complete specific IRC. To be eligible for the \$500 student award, the student must complete an IRC that prepares individuals for occupations as fire fighters, emergency medical responders, or emergency medical services practitioners.

¹⁹ Wis. Stat. sec. 106.273 (5) requires the department and DWD to enter a memorandum of understanding setting forth each of the agency's responsibilities in administering the TIG program, and that the MOU specifies that DWD will transfer funds (from its appropriation for the TIG program) to the department to make payments to eligible school districts.

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For the class of 2023 high school graduates, 158 students received a completion award (payments made in FY24). While the payments under this program do not go to schools to support CTE directly, they do incentivize students to pursue the courses that result in completing the IRC.

Technical Education Equipment Grant Program

As part of the Wisconsin Fast Forward grant program, DWD administers the Technical Education Equipment grant program. This grant reimburses school districts for the purchase and installation costs of technical education equipment used in vocational training and technical education in advanced manufacturing fields, including costs for equipment operation software and instructional materials to train students.

This program is open to school districts and awards grants between \$5,000 to \$50,000 per grantee. The grant program requires a cash or in-kind match equal to 200 percent of the amount of the award. Approximately \$500,000 is available for schools in FY25.

Programs Administered by the Department of Public Instruction

Carl Perkins Act Grant Program

The federally-funded Carl Perkins Act grant program is focused on Career Pathways. The formula used to distribute this funding results in very limited funding for the smallest school districts in the state. For the 2024-25 school year, \$8,258,500 is available; preliminary allocations range from less than \$500 for the smallest school districts to \$1.75 million for the state's largest school district.

Career Connected High Schools (CCHS)

This grant is a one-time, federally-funded program. The funding for this program was significantly reduced after the initial year of the grant (i.e. the grant amount that will be received in years two and three is less than what was initially awarded to the department). While the CCHS aid targets a few select pilot high schools, this aid program does provide broader reimbursement opportunities for participating high schools. For more information, see: <https://dpi.wi.gov/cte/career-connected-high-schools-aid-unlocking-pathways-wisconsin>

Proposal

The department proposes that the state invest in CTE by establishing a dedicated source of funding to support schools in expanding CTE courses and career pathway offerings. Specifically, the creation of a sum sufficient appropriation for a new categorical aid program that will distribute funding based on the number of high school students enrolled in school districts and independent charter schools (ICS) - collectively, local education agencies (LEAs). The proposed new aid program will facilitate expansion of robust, high-quality career pathways and opportunities designed to maximize student engagement and provide a strong foundation for success beyond high school.

Under the proposed aid program, funding would be allocated to LEAs based on the number of high school students enrolled in the LEA in the prior school year. The department is proposing a tiered structure, under which an LEA would be eligible for a minimum (base) funding amount and a per pupil aid amount. The base funding level increases, and the per pupil award decreases, as the LEA’s high school enrollment increases (as it moves into higher tiers). See table 1.

Table 1. Proposed Tiers Based on High School Student Population

<u>Tier</u>	<u>Minimum # HS students</u>	<u>Maximum # HS students</u>	<u>Districts</u>	<u>High School Students (9-12)</u>
1	1	125	76	6,180
2	126	250	88	16,288
3	251	500	95	33,758
4	501	750	37	22,662
5	751	1,000	23	20,507
6	1,001	5,000	69	117,683
7	5,001	10,000	4	24,535
8	10,001	15,000	-	-
9	15,001	20,000	1	19,267

The LEAs in Tiers 1 and 2 would not receive additional per pupil funding; instead, they would receive a total award amount of \$25,000 or \$50,000, respectively. Tier 3 would provide the same base funding amount as Tier 2 but would also provide an additional \$200 per pupil for each pupil above 250 (the upper limit of Tier 2). LEAs in Tier 4 would receive a base funding level equal to the maximum amount under Tier 3 (\$100,000) plus an additional \$175 per pupil for each pupil above 500 (the upper limit of Tier 3), and so on, through Tier 9.

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The projected cost of providing aid to LEAs under this model is shown in Table 2, below. The projection is based on the number of students enrolled in grades 9 through 12 in school districts and ICS, using 2023-24 enrollment data.

Table 2. Projected Cost – Allocations Based on Tiered Structure

<u>Tier</u>	<u>Minimum Award Amount</u>	<u>Maximum Award Amount</u>	<u>Per Pupil</u>	<u>Aid Amount</u>
1	\$25,000	\$25,000	\$0	\$1,900,000
2	\$50,000	\$50,000	\$0	\$4,400,000
3	\$50,000	\$100,000	\$200	\$6,751,600
4	\$100,000	\$143,750	\$175	\$4,428,350
5	\$143,750	\$181,250	\$150	\$3,794,800
6	\$181,250	\$681,250	\$125	\$18,591,625
7	\$681,250	\$1,181,250	\$100	\$3,178,500
8	\$1,181,250	\$1,556,250	\$75	-
9	\$1,556,250	\$1,806,250	\$50	\$1,769,600
Grand Total				\$44,814,475

Allowable Uses of CTE Expansion Aid

Under this proposal, the department would calculate each LEA's allocation (based on prior year enrollment data) and notify the LEA of its CTE aid award early in the school year. The LEAs could then request reimbursements, up to the LEA's allocation, by submitting to the department documentation of expenditures for allowable uses of the aid funds.

LEAs would have to demonstrate to the department that the reimbursement claims are for expenditures incurred to expand access to CTE pathways, whether creating new CTE courses or programs, or serving more students in existing courses and programs. Allowable uses under the proposed CTE aid program would include work-based learning (WBL) programs and activities, expenses incurred by the student for CTE dual enrollment courses (those that are outside the Early College Credit Program), teacher training, employing a school/community/career coordinator, career development activities, and development and/or expansion of pathway instruction.

- Allowable WBL expenses could include transportation costs, materials for the CTE classroom portion of the WBL experiences, compensation for WBL Coordinators employed by the LEA, compensation for student workers within a school setting, and promotional materials for WBL programs.
- CTE dual enrollment expenses that would be reimbursable include costs of tuition charged to the student for dual credit courses that are not covered under the

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ECCP and costs associated with expanding capacity in LEAs to offer non-ECCP dual enrollment courses and courses leading to students earning an IRC.

- The allowable CTE teacher training expenses would include teacher training and reimbursement of tuition costs borne by teachers for additional education leading to specific credits, e.g., to obtain approval from any Institutions of Higher Education to teach on-site dual credit courses, or to position the LEA to offer or expand IRC offerings.
- Funding could also be used for immersive professional development for all CTE teachers, including experience-based licensed teachers, or for incentives for teachers to advance from a Tier 1 to a Tier 2 license. In addition, reimbursements would be available for teachers to earn credentials to obtain a CTE Coordinator license or to cover the LEA's costs of hiring a WBL coordinator.
- Lastly, the funding could be used for career development and pathway instruction. Career development is intended to include participation fees for career exploration events and middle/high school career pathway programming opportunities. Pathway instruction includes classroom supplies (consumables, equipment, and technology), transportation costs for field trips and events, and teacher salaries.

Position Authority

The department requests authority for 1.0 FTE GPR position to administer the proposed CTE expansion aid program. The CTE team has limited staff (particularly GPR-funded positions) and does not have the capacity to implement and administer the proposed new program with existing staff levels. The department does not have vacant GPR-funded positions that could be reallocated for this purpose. The department proposes that the new position be created in the Grant Specialist – Advanced classification.

In summary, the department requests \$44,815,000 GPR in FY27 in a new sum-sufficient appropriation for the proposed CTE expansion aid program and authority for 1.0 FTE GPR position to administer the proposed new aid program.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6032 – CAREER AND TECHNICAL STUDENT ORGANIZATIONS

319 – Career and technical student organizations; grants

s. 20.255 (3)(cm)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$4,500,000	\$4,500,000
Less Base	\$0	\$0
Requested Change	\$4,500,000	\$4,500,000

Request

The department requests an increase of \$4,500,000 GPR in FY26 and \$4,500,000 GPR in FY27 in a new, annual appropriation for grants to Career and Technical Student Organizations (CTSOs), to increase membership and robust participation in CTSOs among all students in Wisconsin’s schools.

Background

Career and Technical Student Organizations (CTSOs) are a basic component of career and technical education programs that support and enhance related school-based and work-based learning. Found in middle, junior, and senior high schools throughout Wisconsin, CTSOs provide students with skills and knowledge to succeed in the new global economy. Specifically, CTSOs help students develop citizenship, technical, leadership, and teamwork skills essential in preparing for careers and further education. They enhance students' civic awareness and provide opportunities for developing social competencies and a wholesome attitude about living and working. The emphasis of each CTSO is on industry workforce needs.

The department’s Career and Technical Education (CTE) team provides administrative leadership to the six Wisconsin CTSOs (described briefly, below) in accordance with Wis. Stat. sec. [115.28 \(30\)](#). That statute requires the department to prioritize assisting school boards to operate CTSOs and related CTE programs, as well as to provide administrative leadership for CTSOs. The statute specifies that the department form a CTE team comprised of educational consultants dedicated to specific industries:

- Agriculture education
- Business education
- Technology education
- Family and consumer sciences education
- Marketing education
- Health science education (one half-time consultant).

CTSOs in Wisconsin

[Wisconsin DECA](#) prepares emerging leaders and entrepreneurs for careers in marketing, finance, hospitality and management in high schools and colleges around the globe. The international DECA organization, formerly known as “Distributive Education Clubs of America,” has been preparing students since 1946.

[Wisconsin Future Business Leaders of America](#) (WI FBLA) inspires and prepares students to become community-minded business leaders in a global society through relevant career preparation and leadership experiences. The FBLA organization has been preparing students for careers in business and information technology since 1937.

[Wisconsin Family, Career and Community Leaders of America \(WI FCCLA\)](#) offers members the opportunity to expand their leadership potential and develop skills for life. Members have been making a difference in their families, careers, and communities by addressing important personal, work, and societal issues through Family and Consumer Sciences since 1945.

[Wisconsin Association of FFA](#) (WI FFA) prepares members for premier leadership, personal growth, and career success in the science, business, and technology of agriculture. Formerly known as the “Future Farmers of America,” the National FFA Organization has been preparing students for careers in agriculture since 1928.

[Wisconsin HOSA-Future Health Professionals](#) (WI HOSA) empowers future health professionals to become leaders in the global health community through education, collaboration, and experience. Formerly known as “Health Occupations Students of America,” HOSA has been preparing students for careers in health and biomedical science since 1976.

[SkillsUSA Wisconsin](#) is a partnership of students, teachers, and industry working together to ensure America has a skilled workforce. SkillsUSA, formally known as “Vocational and Industrial Clubs of America,” has been preparing students for careers in trade, technical, and skilled service occupations since 1965.

CTSOs provide leadership, service, and connections to prepare learners for life, work, and career. A CTSO is a quality component of a career pathway that supports and enhances related school- and work-based learning. They provide value to students through numerous opportunities to showcase their workforce skills and knowledge. CTSOs are found in middle and high schools throughout Wisconsin.

Financial Support for CTSOs

CTSOs are membership organizations. Students who wish to join a CTSO must pay dues and/or membership fees and may incur other costs associated with membership (e.g., uniforms, supplies, etc.). Additionally, participation in regional-, state-, and national-level conferences and events present additional costs to CTSO members. The department currently allocates \$90,000 GPR annually from its general program operations appropriation to the six CTSOs (\$15,000 to each).

While CTSOs conduct fund-raising activities, the proceeds from fund-raising and the limited state funding available to CTSO from the department are not sufficient to allow all members to participate as fully as they would like. Further, the expenses associated with CTSO membership and events is a barrier that prevents some students from joining and participating.

CTSO's play a vital role in helping prepare students for futures in a variety of careers in the Wisconsin workforce. The department does not have data on the number of students who have not been able to join a CTSO or participate as fully as they would like in a CTSO due to financial hardship. That said, any effort to encourage more students to join and/or participate more fully in CTSOs can be viewed as an investment in the future workforce of Wisconsin. CTE team program staff suggest that if the financial barriers to membership and participation were removed, membership in CTSOs would grow by as much as double the current membership.

Data and Research on Positive Impacts of CTSOs

The positive impacts of CTSO on students are often described in terms of the civic, leadership, and technical skills that students develop via participation. Some sources also allude to impacts on academic achievement: the National Coordinating Council for Career and Technical Student Organizations ([NCC-CTSO](#)) cites the National Research Center for Career and Technical Education (NRCCTE) / Southern Regional Educational Board (SREB)²⁰, that participation in leadership and professional development activities in a CTSO raises students' educational aspirations²¹.

The Association for Career and Technical Education, [ACTE.org](#), advocates for robust, high quality CTE programming in schools, to "provide educational leadership in developing a

²⁰ From the SREB website: "NRCCTE joined forces with the Southern Regional Education Board in 2014, bringing together two leading organizations focused on improving the quality of CTE in public high schools. The organizations share a commitment to helping schools engage students through career and technical studies, so students learn more and are ready for college, career and advanced training."

²¹ Looking Inside the Black Box: The Value Added by Career and Technical Student Organizations to Students' High School Experience, SREB, June 2007. [Looking Inside the Black Box: The Value Added by Career and Technical Student Organizations to Students' High School Experience - Southern Regional Education Board \(sreb.org\)](#)

competitive workforce” and “ensure that students are positioned for career success.” While the ACTE information does not speak expressly to CTSOs, it does highlight the benefits of participation in CTE, which may be encouraged by participation in a CTSO. According to ACTE’s “State Fact Sheet” for Wisconsin, for the 2020-21 school year, “CTE Concentrators” had a four-year graduation rate of 96.4 percent, while the four-year graduation rate for all students was 90.3 percent²².

The ACTE points to the economic imperative to invest in CTE, and by extension supporting CTSOs, in Wisconsin's schools. According to ACTE, there is a skills gap in Wisconsin: 55 percent of jobs in Wisconsin require skills training – more education than high school but less than a four-year degree, while 48 percent of workers in Wisconsin are trained at this level.

The data on student participation in CTSOs shows disproportionality among student demographic groups. In the 2022-23 school year, 41.2 percent of students in Wisconsin’s public schools were economically disadvantaged, 14.9 percent were students with disabilities, 6.0 percent were identified as English language learners, and 32.8 percent were students of color and/or identify as more than one racial group. According to data presented by the Perkins Collaborative Resource Network (PCRN), that same year, all these demographic groups were underrepresented in CTE participation.

Table 1. CTE Participation (2022-23 school year)

Student Demographic Group	All WI Public Schools*	CTE Participants**	CTE Concentrators** ^
Economically disadvantaged	41.2%	32.8%	30.3%
Students with disabilities	14.9%	10.6%	10.3%
English Language Learners	6.3%	4.2%	3.3%
Students of Color	32.8%	25.6%	23.9%

*Data from the Department of Public Instruction, WISEdash Public Portal (student enrollment), [WISEdash Public Portal - Department of Public Instruction](#).

**Data from the Perkins Collaborative Resource Network, “Wisconsin State Enrollment Data”, 2022-23 school year, [Wisconsin State Enrollment Data](#).

^A student is identified as a “CTE concentrator” if they completed at least two CTE courses in a single career pathway throughout high school.

While the data does not speak expressly to participation in CTSOs, it does highlight the disparities in participation in CTE programs, a disparity that may be narrowed if the state takes action to encourage participation in CTSOs by more students across all demographic groups.

²² CTE in Wisconsin: [Wisconsin-CTE-Fact-Sheet-2024.pdf \(attheonline.org\)](#).

Proposal

The department proposes that the state create a new, GPR-funded appropriation dedicated to supporting student membership and robust participation in CTSOs. Specifically, the department requests \$4,500,000 GPR annually, beginning in FY26, to make grants to each of the six Wisconsin CTSOs described in this paper²³.

The department's proposal is to provide grants of \$750,000 annually to each of the six Wisconsin CTSOs. Under the plan, half of the annual allocation for each CTSO would be dedicated to supporting membership affiliation dues at the state and national level, with a goal of eliminating financial barriers to student participation.

The remaining allocation would be allocated towards CTSO Workforce Readiness Skill Programming, including the following activities:

- Local, regional, and state program support through contracted services
- Program resources (e.g., classroom resources)
- Professional attire support
- Work-based learning record keeping and accessibility platform
- Expand career development programming (virtual and in-person)
- Membership resources / chapter engagement / alumni support

In summary, the department requests \$4,500,000 GPR in a new, annual appropriation, for grants to the six Wisconsin CTSOs, to increase membership and robust participation in CTSOs among all students in Wisconsin's schools. An infusion of state funding at this level would allow for equitable participation by many more students than can currently participate and be a significant investment in the future workforce of the state.

Statutory Language

The department is proposing statutory language related to this request.

²³ The department is also requesting new funding for Educators Rising, an organization that helps students explore careers in education and works with partners in higher education to create education career pathways that prepare high school students enter post-secondary teacher preparation programs. See the department's request under DIN 6023.

DECISION ITEM 6033 – EARLY COLLEGE CREDIT PROGRAM – STATE AID

285 – Early college credit program; tuition reimbursement

s. 20.255 (2)(dn)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$802,000	\$926,000
Less Base*	\$0	\$0
Requested Change	\$802,000	\$926,000

**Note: Base FY25 funding is \$478,500 GPR annually in a Department of Workforce Development (DWD) appropriation. Thus, the net impact of this request on the state’s general fund is an increase of \$323,500 GPR in FY26 and \$447,500 GPR in FY27.*

Request

The department requests that responsibility for administering the Early College Credit Program (ECCP) state aid program be transferred from the Wisconsin Department of Workforce Development (DWD) to the department. The department requests an increase of \$802,000 GPR in FY26 and \$926,000 GPR in FY27, in a new, sum-sufficient appropriation in the department’s Chapter 20 appropriations schedule, to fully fund the anticipated claims for tuition reimbursement from schools for ECCP state aid.

Base funding for tuition reimbursement to schools under the ECCP is appropriated in the DWD appropriation under Wis. Stat. sec. 20.445 (1)(d). Base FY25 funding for the appropriation is \$478,500 GPR annually; thus, the net impact of this request on the state’s general fund is an increase of \$323,500 GPR in FY26 and \$447,500 GPR in FY27.

Background

Under 2017 Act 59 (2017-19 biennial budget), the Legislature created the Early College Credit Program (ECCP) and a GPR funded appropriation for ECCP state aid for public and private schools. The ECCP statute allows Wisconsin public and private high school students to take one or more courses at an institution of higher education (IHE) for high school and college credit (or for college credit only), provided the course is not comparable to a course that is already offered by the high school. The tuition cost of the ECCP course is shared among the school district, the state, and in some cases the student, depending on whether the course is comparable to one offered by the school and whether the course fulfills a graduation requirement of the high school the student attends.

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School district does not offer a comparable course and the ECCP course fulfills a graduation requirement:

- The student earns both high school and college credit.
- The student is not responsible for any share of the tuition cost.
- The school district incurs the cost of tuition for the course, but is eligible for reimbursement by the state, equal to 25 percent of the tuition cost of the ECCP course (though state aid is prorated if total aid eligibility exceeds the appropriation).
- **Thus, when fully aided by the state, the school district in effect absorbs 75 percent of the cost of the ECCP course.**

School district does not offer a comparable course and the ECCP course does not fulfill a graduation requirement:

- The student earns college credit only.
- The student is responsible for 25 percent of the tuition cost (with exception*).
- The school district incurs the cost of tuition for the course but is still eligible to receive reimbursement for 25 percent of the tuition cost (though state aid is prorated if total aid eligibility exceeds the appropriation).
- **Thus, when fully aided by the state, the school district effectively absorbs 50 percent of the tuition cost.**

***Exception:** the school board or private school must waive and pay the pupil's share of the tuition charge if it is determined that the tuition cost would pose an undue financial burden on the student and their family, as determined by the department by administrative rule. The department's rule specifies that undue financial burden means the student meets the eligibility criteria for free or reduced-price lunch for the federal school lunch program under [42 USC 1758 \(b\) \(1\)](#).

Other Dual Enrollment Opportunities

The ECCP does not represent all dual enrollment options for high school students. Under the Start College Now program, high school students can take college courses at Wisconsin Technical Colleges.

Additionally, UW-System and private IHEs may offer college level courses to high schools that are taught by a high school teacher who has been certified or approved by the IHE at

the high school (not on the IHE campus), under an agreement between the IHE and school district. The IHE is authorized to charge tuition to the student for these courses, for which the student can receive high school and college credit. Because the tuition cost associated with these courses is incurred by the high school student, there are no tuition costs for the school district to claim reimbursement under the ECCP state aid program.

ECCP State Aid – Funding History

As initially created under 2017 Act 59, the appropriation for ECCP state aid provided \$1,753,500 GPR annually. Claims for ECCP state aid started slowly and the Legislature reduced the appropriation substantially, beginning with FY22, presumably due to what appeared to be underutilization of the state aid appropriation. Claims, however, have been increasing since FY21, and unfortunately, claims exceeded the appropriation in FY23 and in FY24. Thus, state aid was prorated at 90.5 and then 79.6 percent, respectively.

Table 1. Early College Credit Program – Appropriation and Claims History

	FY19	FY20	FY21	FY22	FY23	FY24
Appropriation	\$1,753,500	\$1,753,500	\$1,753,500	\$478,500	\$478,500	\$478,500
Claims	\$367,911	\$338,529	\$387,655	\$427,223	\$528,658	\$600,975
Proration	100%	100%	100%	100%	90.5%	79.6%

*The Legislature reduced the appropriation for the ECCP state aid program under 2021 Act 58.

Because this program started recently, there are only six years of claims data upon which to build a projection of future claims under the ECCP state aid program. If claims continue to increase over the next few years as they have since FY21 (15.5 percent annually on average), and the appropriation is not increased, schools will continue to be only partially reimbursed for eligible costs, at a decreasing rate.

Table 2. Projected Claims and Amount Required to Fully Fund for FY26 & FY27
(Annual growth in claims: 15.5%)

	FY25	FY26	FY27
Base Appropriation	\$478,500	\$478,500	\$478,500
Projected Claims	\$694,000	\$802,000	\$926,000
Proration of Aid Payments	68.9%	59.7%	51.7%
Amount Required to Fully Fund		-\$323,500	-\$447,500

When aid is prorated, the school district/school in effect bears a larger share of the tuition cost for ECCP courses than what the statute provides. If funding were provided in a sum-sufficient appropriation (rather than a sum-certain appropriation), schools would be fully reimbursed for eligible ECCP state aid claims, rather than face proration of aid if claims exceed the appropriation level in the chapter 20 schedule.

While the ECCP statutory language resides within chapter 118, Wis. Stats. (General School Operations), and the department's CTE team serves as the primary point of contact for schools for information and guidance regarding the ECCP, the appropriation for ECCP state aid resides within the chapter 20 schedule for the Wisconsin DWD; thus the statutory responsibility for administering the ECCP state aid program resides with the Wisconsin DWD, though the statute does direct DWD to pay the department the amounts required to reimburse schools under the ECCP state aid program.

The department's CTE program staff already work closely with DWD staff to administer the ECCP state aid program. Further, the department processes the aid payments to schools under this program (DWD transfers the funds from its appropriation for the ECCP to the department to make those payments to schools). Program staff indicate that transferring statutory responsibility for the ECCP state aid program would not cause a substantial increase in the CTE team's workload.

Proposal

The department requests that responsibility for administering the ECCP state aid program be transferred from Wisconsin DWD to the department. The department requests an increase of \$802,000 GPR in FY26 and \$926,000 GPR in FY27, in a new, sum-sufficient appropriation in the department's Chapter 20 appropriations schedule, to fully fund the anticipated claims for tuition reimbursement from schools under the ECCP state aid program.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6034 – GED TEST SUBSIDY

111 –General Education Development Test Subsidy

s. 20.255 (1)(fd)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$194,500	\$408,500
Less Base	\$0	\$0
Requested Change	\$194,500	\$408,500

Request

The department requests an increase of \$194,500 GPR in FY26 and \$408,500 GPR in FY27 for a new sum-sufficient appropriation to subsidize testing fees for individuals taking the General Equivalency Diploma (GED) tests.

Background

The GED (General Education Development) test consists of a battery of tests to measure competency in math, science, social studies, and language arts. Wisconsin’s version has four additional subject areas and is called the HSED (High School Equivalency Diploma). The HSED consists of the GED test battery as well as health, civic literacy, employability skills, and career awareness.

The GED is accepted by most employers, technical colleges, and community colleges. The department’s informational website “[How to Get a GED/HSED](#)” lists 60 preparation programs and testing centers in 48 counties throughout the state, at which individuals can take the GED test. Additionally, the Department of Corrections maintains testing sites for inmates. The GED test can also be taken on-line: [Take the GED Test Online | Online Proctored GED Test - GED.](#)

According to program staff, 5,435 Wisconsin residents took the GED in 2023 (most recent which data is available). A total of 15,155 individual tests were taken that year. Some individuals take the full battery of four tests and are referred to as “completers” for purposes of testing statistics produced by the GED Testing Service (GEDTS). Of the 2,516 completers in 2023, 73 percent (1,840) passed, compared to 75 percent nationally.

Wisconsin also uses GED tests as a credit recovery option for high school students (as part of a graduation pathway), allowing them only to take a GED test in the area(s) they are credit deficient. The GED test pass rate is calculated by dividing the number of GED test

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passers by the number of GED test completers. Test taken by high school students are not figured into the pass rate.

Each of the four sections of the test costs the test-taker \$39.75 (i.e., \$159 for each full battery of four tests). The individual test taker makes a payment to Pearson VUE (GEDTS' fiscal agent). Pearson VUE collects the total test fees per content area from the test-takers, then pays test centers compensation and remits Wisconsin's credential fee. Thus, \$10 per test is paid to the testing centers and \$3.75 per test is remitted to the department (i.e., \$15 for each full battery of four tests); the net amount that GEDTS retains is \$26 per test. The credential fee is only \$1.25 per test credential for adults in Wisconsin correctional institutions.

For students ages 17 to 18 who take GED tests as part of their pathway to a high school diploma (GED Option #2), the school district in which the student is enrolled incurs the cost for the GED test. All students in the GED Option #2 program get a regular high school diploma from their high school.²⁴ High students earning a high school diploma do not pay a credential fee.

Table 1. GED Test Costs Borne by Test Takers & Schools* (2023 data)

Category	Number of Tests Taken	Test Price (excludes credential fee)	Cost to Test Takers
General Public 19+	2,996	\$36	\$107,856
School-Aged (17-18)*	8,302	\$36	\$298,872
Incarcerated Individuals	2,219	\$26	\$57,694
Retakes	1,638	\$36	\$58,968
Total	15,155		\$523,390

*Cost of GED tests taken by high school students is borne by the school district in which student is enrolled.

Department Responsibilities

State law, under Wis. Stat. sec. 115.29 (4), authorizes the state superintendent to grant a declaration of equivalency of high school graduation (i.e., an HSED) to individuals who have completed a recognized high school course of study or its equivalent and have successfully completed the civics test required under Wis. Stat. sec. 118.33 (1m) (a). The state superintendent has authority to establish the standards by which high school graduation equivalency is determined; standards may consist of the following:

²⁴ For students who are served under a 118.15 Agreement (s. 118.15, Wis. Stat.) or enrolled in the Challenge Academy earning an HSED, if the district decides not to award a regular high school diploma, those students do not incur a credential fee since they are all enrolled in public high school.

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- Evidence of completion of high school courses in accredited high schools.
- Results of examinations given by or at the request of the state superintendent.
- Successful completion of correspondence study courses.
- A general educational development certificate of high school equivalency (i.e., GED credential) issued by an agency of the U.S. government.
- Course credits received in schools meeting the state superintendent's approval.
- Other standards established by the state superintendent.

The state superintendent also has authority to promulgate rules establishing fees for issuing a GED credential or HSED. The department promulgated PI 5 – High School Equivalency Diplomas and Certificates of General Educational Development in administering this section of state law. The GED/HSED program is administered by the Career and Technical Education (CTE) team, located in the department's Division for Academic Excellence.

The revenue generated by the credentialing fee is received by the department in a Program Revenue (PR) appropriation and is used to support 1.0 FTE permanent position authority in the department. This position authority is split between two positions on the department's CTE team, supporting half of a 1.0 FTE School Administration Consultant position (splits time between GED/HSED and GPR-funded Alternative Education job responsibilities) and half of an Education Specialist position that provides support to the GED/HSED program.

Policy Issues

According to department staff, the burden of paying for a GED test is the most common issue brought up by individuals who contact the department for information about GED/HSED. Staff indicate that more than half of GED inquiries come from individuals who are economically and educationally impoverished.

Wisconsin has a high concentration of jobs in occupations that require a high school diploma or equivalent (41.2%). Only three states have a higher job share in this category (U.S. Bureau of Labor Statistics, 2023). Being able to obtain and access one's GED record is essential when applying for a job. Supporting individuals in taking the GED the test and accessing their credentials is a vital component of workforce development and economic recovery in the state. Moreover, facilitating access to taking the GED test is a matter of equity:

- Overall, approximately seven percent of Wisconsin adults over the age of 25 (~266,000 people) lack a high school diploma. In Milwaukee, that figure is double, at nearly 14 percent (U.S. Census Bureau, 2022).

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- According to the American Community Survey, Wisconsin has one of the largest gaps in the percentage of white and black adult residents with at least a high school diploma (8.6 percent; U.S. Census Bureau, 2022).
- While 46 percent of all GED test takers in 2023 were people of color, only 28 percent of Wisconsin high school graduates, and approximately 20 percent of Wisconsin's general population (2020), were people of color.
- While African American students represented eight percent of high school graduates in 2022-23, they represented 20 percent of GED test takers.

Table 2a. GED Test Taker Demographic Data (2023)*

Age Group	Total for Age Group	Students / People of Color	Students / People of Color (%)	Comparison Group
17-18	2,762	1,409	51%	31% SOC (17- & 18-year-olds)** 20% POC***
19-30	1,570	653	42%	
30+	1,103	415	38%	
Total	5,435	2,477	46%	

*Source: GED Testing Service, reported race category (total = 5,435 test-takers, all age groups): 2,752 (51%) white; 1,078 (20%) African-American; 263 (5%) two or more races; 213 (4%) Native-American; 114 (2%) Asian, 19 (<1%) Native Hawaiiin; 865 (16%) reported "N/A" or "None"; and 131 (2%) declined to respond.

** Source: DPI, WISEdash (2022-23).

***Source: US Census Bureau (2020).

Table 2b. Four-Year High School Completion (2022-23)

Race/Ethnicity	Count	Completer Count	Completer Rate
Students of Color	20,211	16,394	81.1%
White	45,440	43,015	94.7%

Source: DPI, WISEdash.

Table 2c. Wisconsin Adults with At Least a High School Diploma (2022)

Race/Ethnicity	Count	Diploma Count	Diploma Rate
Persons of Color	873,167	705,741	80.1%
White	3,444,012	3,283,634	95.3%

Source: American Community Survey, US Census Bureau.

We know that significant racial gaps in high school graduation rates continue in Wisconsin and that large racial gaps in educational attainment exist in Wisconsin's adult population. Given these gaps, facilitating the completion of GED testing would be an important channel for persons of color to earn a high school credential, and thereby reduce the racial gaps that continue in Wisconsin. The data on GED test-takers appears to bear this out. Funding this proposal can play a key role in improving equity in educational attainment and participation in the workforce.

Subsidizing GED Test Fees

Several states, including Minnesota and Illinois, now offer subsidized or free GED tests. Other states include Connecticut, Nebraska, Arkansas, Texas, New Mexico, Arizona, Ohio, Maryland, and North Dakota. Further information on each state can be found on the GED Testing Service webpage at: [State-By-State Info on Online GED Testing - GED](#).

The department proposes the Wisconsin implement a subsidy model similar what is used in the state of Illinois. In that model, every test taker pays a \$10 fee per test (\$40 for each battery of four tests) and the state covers the remaining cost of the tests. GEDTS pays Pearson-VUE (the testing vendor) for each test reservation. The state of Illinois is charged for the *number of total test registrations - not the total number of tests actually completed by test registrants*. This means that the amount that GEDTS charges the state of Illinois includes individuals who register but do not show up for the test (i.e., "no-shows")

The state of Illinois initially held a no-fee GED campaign last year (2023) and experienced a high rate of no-shows. The state addressed that issue by requiring test takers to pay \$10 per test (i.e., \$40 for each full battery of four tests), thereby ensuring test takers have a financial interest in completing the test for which they registered.

According to GEDTS officials, GED testing in Illinois has increased by seven percent (compared to the most recent year in which there was no state subsidy). While they acknowledge that a number of other factors impact testing numbers (i.e., unemployment, growing population, etc.), the state subsidy is thought to have played a significant role in the increase in test taking.

The table below demonstrates how the proposed GED test fee subsidy would compare to current law in terms of the cost to the test-taker, the cost to the state of the proposed subsidy, and revenue-neutral impact on testing centers, the department (credential fee for operations), the for GEDTS.

Table 3. Current and Proposed Fee Subsidy Structure

	Current Law	Proposal
Credential Fee	\$3.75	\$3.75
Test Fee	\$36.00	\$36.00
Total Cost	\$39.75	\$39.75
Amount paid by Test Taker	\$39.75	\$13.75
Amount Remitted to DPI (for agency operations)	\$3.75	\$3.75
Amount Remitted to Testing Center	\$10.00	\$10.00
Remaining for GEDTS	\$26.00	\$0
State Subsidy	+\$0.00	+\$26.00
Net Amount Retained by GEDTS	\$26.00	\$26.00

For purposes of estimating the cost to the state of implementing a subsidy, the department projects one percent annual increases in the volume of tests taken each year until January 2026, then five percent annually beginning in January 2026 when the subsidy would become effective, to reflect increased demand when the test is subsidized and promoted. The projected number of tests and cost of the subsidy are shown in the tables below.

Table 4. Projected GED Tests

Category	Number of Tests (Projection)			
	2024	2025	2026	2027
General Public 19+	3,026	3,057	3,210	3,371
School-Aged (17-18)	8,386	8,470	8,894	9,339
Incarcerated Individuals	2,242	2,265	2,379	2,498
Retakes	1,655	1,672	1,756	1,844
Total	15,309	15,464	16,239	17,052

Table 5. Subsidy Estimate

Category	FY25	FY26	FY27
General Public 19+	\$79,100	\$81,500	\$85,600
School-Aged (17-18)	\$219,100	\$225,700	\$237,000
Incarcerated Individuals	\$36,100	\$37,200	\$39,100
Retakes	\$43,300	\$44,600	\$46,800
Total	377,600	389,000	408,500
Projected Cost (start on 1/1/2026):		\$194,500	\$408,500

Proposal

The department requests an increase of \$194,500 GPR in FY26 and \$408,500 GPR in FY27 for a new sum-sufficient appropriation to subsidize testing fees for individuals taking the GED tests.

- Under this proposal the GED test fee subsidy would be set up as a direct payment to GEDTS. The test takers would still have to register to take the test, whether taking the test online or in person (to hold space at the testing center at the scheduled test time).
- Test takers would be charged a fee of \$10 per individual GED test (i.e., \$40 for each full battery of four tests). Test takers would continue to be charged the \$3.75 credential fee per test (i.e., \$15 for each full battery of four tests).
- The department would set up an auto-subsidy system in which GEDTS would send the department an invoice for the number of GED tests taken by Wisconsin residents in the previous month.
- The department would pay GEDTS from the newly created sum sufficient GPR appropriation for the test fee subsidy.

To allow the department sufficient time to make financial arrangements with GEDTS and to promote the program, the department proposes making the subsidy first effective for testing that occurs on January 1, 2026 (at the earliest). The amount requested in FY26 represents six months rather than 12 months of subsidy payments for that fiscal year.

Statutory Language

The department is proposing any statutory language related to this request.

DECISION ITEM 6035 – INNOVATIVE EDUCATION PRACTICES

112 – Innovative practices; portrait of a graduate

s. 20.255 (1)(dm)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$500,000	\$0
Less Base	\$0	\$0
Requested Change	\$500,000	\$0

284 – Innovative practices; implementation grants

s. 20.255 (2)(dm)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$2,000,000
Less Base	\$0	\$0
Requested Change	\$0	\$2,000,000

101 – General program operations

s. 20.255 (1)(a)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$72,500	\$96,600
Requested Position Authority	1.0 FTE	1.0 FTE

Request

The department requests an increase of \$500,000 GPR in FY26 in a new biennial appropriation to create a model “Portrait of a Graduate” (POG) resource for schools, focusing on career-connected learning and Personalized Competency-Based Learning (PCBL). Additionally, the department also requests \$2,000,000 GPR in FY27 in new continuing appropriation for a new grant program that would award funding to school districts to implement a POG program and facilitate the implementation of innovative education practices in schools.

The department also requests \$85,500 GPR in FY26 and \$111,1000 GPR in FY27, and the creation of 1.0 FTE GPR permanent position, to coordinate the creation of the model POG resource and to administer the proposed implementation grant program.

Background

The traditional model for high school is not working for all students and the resulting decrease in student engagement is detrimental to student outcomes. It is crucial that students be well prepared for the next phase after high school – whether that means entering the workforce, military, or other service, or enrolling in post-secondary education or training. More generally, the skills and competencies that will prepare students for success after high school also helps them become engaged member of their communities.

Portrait of a Graduate

The term Portrait of a Graduate (POG) refers guiding principles that outlines the 21st century skills that students should embody and exemplify by the time they graduate from high school, to be well-prepared after completing high school for the next phase of life, whether for immediate participation in the workforce, post-secondary education/training, military or other service, and for participating in their communities. The intent of this proposal is two-pronged: first, to develop a statewide model POG as a resource for schools and to encourage schools to either adopt or to create their own POGs; and second, to provide schools with resources (implementation grants) that will allow them to incorporate innovative practices into educational programs.

According to the Education Week article “[More States Are Creating a ‘Portrait of a Graduate.’ Here’s Why.](#)” this approach underscores the foundational belief that students should possess certain agreed upon skills when they complete high school in order to be successful –e.g., communication, teamwork, creativity, and civic engagement. The article notes: “Rather than deciding that a student is a successful graduate based on the amount of time they’ve spent in the classroom, the portrait presents a more well-rounded view of what success looks like”.²⁵

According to the Education Commission of the States (ECS), at least 19 states have developed a statewide profile of a graduate while another two – Montana and New Mexico – direct school districts to develop local profiles. This number is up from 13 states

²⁵ Education Week, More States Are Creating a ‘Portrait of a Graduate.’ Here’s Why, Libby Stanford, December 2023, <https://www.edweek.org/policy-politics/more-states-are-creating-a-portrait-of-a-graduate-heres-why/2023/12>.

with completed profiles in 2022.²⁶ Some examples of developed statewide POGs include [Utah](#), [Kansas](#), [Wyoming](#), [Virginia](#), and [South Carolina](#).

Around the world, across the country, and throughout Wisconsin, the way we work, teach, live, and learn is changing at an accelerating rate. System inequities that limit meaningful educational opportunities continue to surface. In the wake of the COVID-19 pandemic, the United States education system is reckoning with the understanding that our traditional education system is not fully supporting the needs of all learners, particularly our most marginalized students.

The department's proposal is intended to address this problem, by helping schools implement innovative practices in education, with the overarching goal of ensuring that all students finish high school possessing the skills and competencies required to successfully navigate life after high school. The purpose of developing a Wisconsin POG would be to model what an equitable and student-centered educational system can look like for schools across the state. Using the POG as a guiding principle, school will break down silos and bring together essential standards and skill sets that naturally work together, across a student's education experience. As an example: in addition to bringing innovative practices to K-12 learning spaces, a POG could incorporate work-based learning opportunities and out-of-school time programs. See the Appendix to this paper for information on the Kettle Moraine School District's "Self-Directed and Resilient Learner" graduate profile.

Improving Student Outcomes

In the United States, student proficiency in math and reading remains a critical issue, reflecting systemic challenges in educational equity. Data from the National Center for Education Statistics (2023) continues to reveal concerning disparities across demographic subgroups, underscoring the urgent need for reform.²⁷ The 2022 National Assessment of Educational Progress (NAEP) assessment results indicated that 25 percent of 4th grade and 38 percent of 8th grade students failed to meet basic benchmarks in math, and 37 percent of 4th graders and 30 percent of 8th graders failed to do so in reading. The data is particularly stark for Black and Hispanic learners who saw significantly worse results.

These disparities persist despite efforts to implement reforms aimed at narrowing the achievement gap.²⁸ The 2022 NAEP assessment results for Wisconsin indicated that 21

²⁶ Education Commission of the States, State Policies to Advance Student-Centered Pathways, by Ben Erwin, Tom Keily and Lauren Peisach, June 2024 Policy Brief [PB_0624_State-Policies-to-Advance-Student-Centered-Pathways.pdf \(ecs.org\)](#)

²⁷ National Center for Education Statistics. (n.d.). The Nation's Report Card | NAEP. Retrieved July 19, 2024, <https://nces.ed.gov/nationsreportcard/>

²⁸ National Center for Education Statistics. (n.d.). The Nation's Report Card | NAEP. Retrieved July 19, 2024, from <https://nces.ed.gov/nationsreportcard/>

percent of 4th grade and 30 percent of 8th grade students failed to meet basic benchmarks in math, and 37 percent of 4th graders and 28 percent of 8th graders failed to do so in reading.²⁹

The implications of these disparities are profound, affecting not only individual student outcomes but also societal equity and economic mobility. Students from historically marginalized communities often face inadequate resources, lower-quality instruction, and systemic barriers that hinder their academic success³⁰. This perpetuates cycles of inequality, limiting opportunities for upward social mobility and perpetuating economic disparities.

Addressing these issues requires comprehensive reforms that prioritize equitable access to resources, culturally responsive teaching practices, and targeted interventions to support at-risk students³¹. Without meaningful change, the current trajectory threatens to widen rather than narrow the achievement gap, perpetuating inequities that undermine the promise of equal opportunity in education.

Furthermore, achievement data in Wisconsin continues to show evidence of opportunity gaps across groups of students. For example, NAEP trend data from 2017-2022 shows that achievement gaps are generally increasing between white and Black students, and holding steady among other groups (e.g. in 2017 in Wisconsin, 87% of white students and 44% of Black students were basic or above in grade 4 math, while in 2022 the respective percentages were 88% and 34%).

The results of the 2023-24 Wisconsin state assessment (Forward Exam) indicate that 44.6 percent of students scored at the performance levels developing or approaching (not meeting grade level) in math; 46.1 percent of students scored at those performance levels in reading. Further, the largest Black/white achievement gap in the country persisted³². Unsurprisingly, similar gaps in assessment scores, and graduation rates also persist for low-income Wisconsin students (Wisconsin Department of Public Instruction, 2023).

Student Engagement and Belonging

Similar to national and Wisconsin achievement data, indicators of student engagement and belonging suggest that our education system needs to change in order to

²⁹ [The Nations Report Card. National Assessment of Educational Progress. 2022 assessments.](#)

³⁰ Rothstein, R. (2021). *The Color of Law: A Forgotten History of How Our Government Segregated America*. Liveright Publishing Corporation.

³¹ Ladson-Billings, G. (2021). I'm Here for the Hard Re-Set: Post Pandemic Pedagogy to Preserve Our Culture. *Equity & Excellence in Education*, 54(1), 68–78. <https://doi.org/10.1080/10665684.2020.1863883>

³² Hess, C. (2023, October 10). State tests trending up but less than 40 percent of Wisconsin students are proficient in reading, math: Wisconsin continues to have the largest achievement gap between Black and white students. *Wisconsin Public Radio*.

meaningfully engage students. Research suggests that student disengagement in school is linked to poor attendance, chronic absenteeism, and disciplinary issues.³³ Furthermore, research suggests there is a link between disengagement and school dropout rates; according to a national study done on high school dropouts, 47% of students said that a significant reason for dropping out of school was that they did not find school interesting.³⁴

While many students are chronically absent and/or dropping out of school, many more lack a sense of belonging; this is troublesome, as a feeling of belonging has a direct correlation to school engagement³⁵. In a recent survey of middle and high school students, as many as 29% of high school students and 27% of middle school students said they feel they do not belong in their school.³⁶

[The 2023 Wisconsin Youth Risk Behavior Survey data](#) illuminates the percent of students who did not agree or strongly agree that they feel like they belong in their school, which highlights disproportionality for students of color compared to their White peers: Asian students-54.9 percent, Hispanic/Latino-49.0 percent, Black-42.4 percent, and White-35.2 percent. Overall, 53.6% of students agreed or strongly agreed they belong at their school; this percentage has been continuously decreasing since 2017 (70.8%).³⁷

The past few decades have seen significant efforts in reforming instruction and assessment in the name of equity. However, little work has been done to transform the traditional education system. The effects of the COVID-19 pandemic have shone an even brighter light on the persistent problems of student engagement and achievement.

³³ Palardy, G. J., & Rumberger, R. W. (2019). The effects of 21st century skills on behavioral disengagement in Sacramento high schools. In J. Demanet & M. Van Houtte (Eds.), *Resisting education: A cross-national study on systems and school effects* (pp. 53-80). The Netherlands: Springer
[PalardyandRumberger2019ProblemBehaviorsinSacramento.pdf](#)

³⁴ Bridgeland, J. M., DiIulio, J. J., Jr., & Morison, K. B. (2006). *The Silent Epidemic: Perspectives of High School Dropouts*. Civic Enterprises in association with Peter D. Hart Research Associates for the Bill & Melinda Gates Foundation. [The Silent Epidemic: Perspectives of High School Dropouts](#)

³⁵ Newell, R. J., & Ryzin, M. J. (2009). *Assessing what really matters in schools: Creating hope for the future*. Rowman & Littlefield.

³⁶ Miles, S. (2020). *Why Student Belonging Matters: October 2020*. National Association of Secondary School Principals. Volume 21 (2020-2021). <https://www.nassp.org/publication/principal-leadership/volume-21-2020-2021/principalleadership-october-2020/why-student-belonging-matters-october-2020>

³⁷ Wisconsin Department of Public Instruction. 2024. "2023 Wisconsin Youth Risk Behavior Survey Summary Report." <https://dpi.wi.gov/sspw/yrbs>

Table 1. Indicators of Engagement (2021-22)
(for Wisconsin, 2021-22 and 2022-23)

Reporting Category	National	Wisconsin
Chronic Absenteeism	29.7%	<u>22.7% / 19.5%</u>
Dropout Rate	5.0%	<u>1.6% / 1.4%</u>
Disciplinary Incidents Rate	1.6%, 1.3%	9.2% / <u>10%</u>

National data sources

Chronic Absenteeism: EdData Express, US Department of Education, accessed from Attendance Works, [“Rising Tide of Chronic Absence Challenges Schools - Attendance Works”](#), October 2023.

Dropout Rate: National Center for Education Statistics, [Table 219.70](#), Institute of Education Science, US Department of Education, 2023 Tables and Figures.

Disciplinary Incidents Rate: [2020-21 Civil Rights Data Collection Student Discipline and School Climate in U.S. Public Schools](#), Office of Civil Rights, US Department of Education, November 2023. Percent of students who received one or more in-school suspensions (1.6%), one or more out-of-school suspensions (1.3%); less than 1% of students were expelled; of total 48 million K-12 students.)

Wisconsin data source: Wisconsin Department of Public Instruction, [WISEdash Public Portal](#).

The above data are strong indicators of student (dis)engagement, yet there is even more pointed data from the national Gallup survey and report which found that only 48% of middle and high school students feel motivated to go to school, and only 52% reported feeling that they do something interesting every day³⁸. These staggering statistics suggest a dire need for transformation in our education system.

Looking at data for students in Wisconsin, the general trend appears to be decreasing rates of attendance and increasing rates of chronic absenteeism. While not as dramatic, the trend in the dropout rate also shows an increase. Figures 1 – 3, below show trends in attendance, chronic absenteeism, and the drop out rate, for Wisconsin from 2013-14 through 2022-23 (data from the department’s WISEdash public portal).

³⁸ Gallup. (2024, April 10). *Sense of purpose in school and work drives Gen Z happiness, new Gallup survey finds. Education*. <https://www.gallup.com/education/2024/04/sense-of-purpose-in-school-and-work-drives-gen-z-happiness.aspx>

Figure 1.

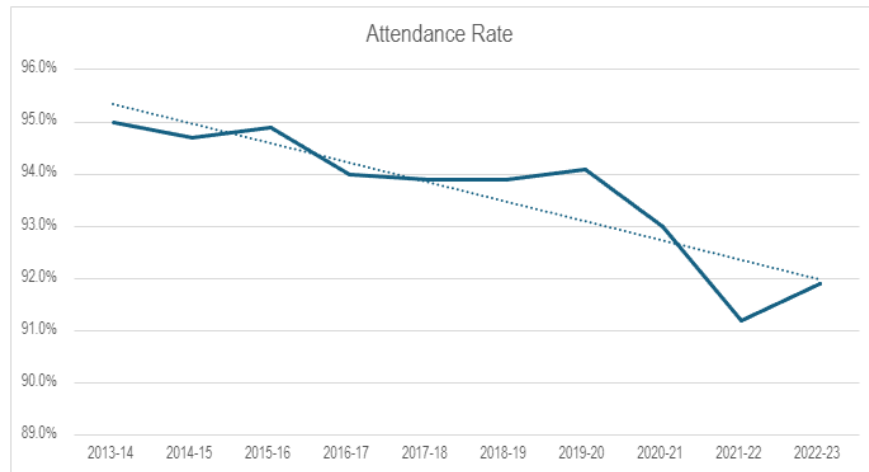


Figure 2.

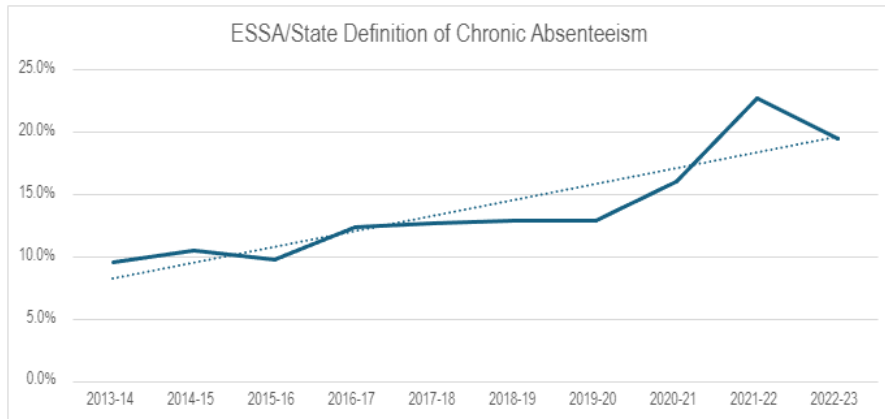
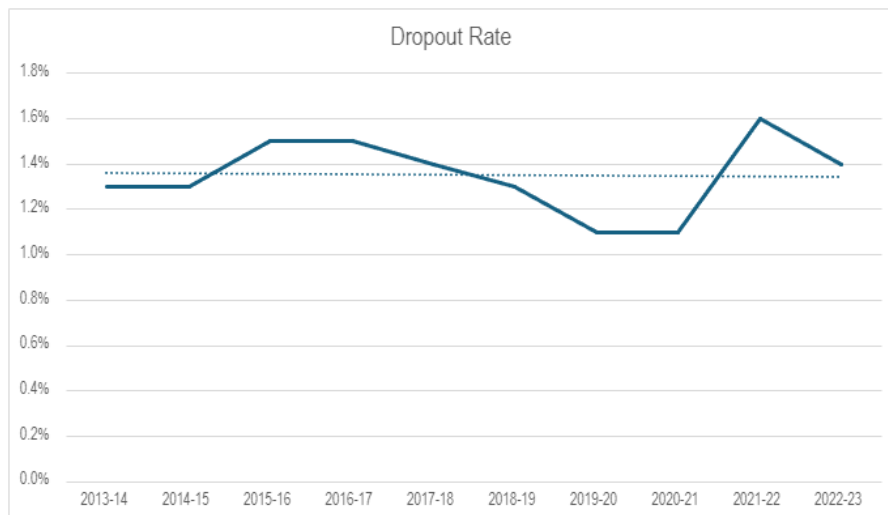


Figure 3.



Proposal

The department requests an increase of \$500,000 GPR in FY26 in a new, biennial appropriation for creating a model “Portrait of a Graduate” (POG) focusing on career-connected learning and Personalized Competency-Based Learning (PCBL).

In a **personalized, competency-based learning environment**, students daily make important decisions about their learning experiences, how they will create and apply knowledge and how they will demonstrate their learning. Assessment is a meaningful, positive, and empowering learning experience for students that yields timely, relevant, and actionable evidence. Students receive timely, differentiated support based on their individual learning needs, and learn using different pathways and varied pacing. Strategies to ensure equity are embedded in the culture, structure, and pedagogy of schools and education systems. Progress is based on evidence of mastery or competency, rather than simply seat time. Rigorous, common expectations for learning are explicit, transparent, measurable, and transferable.³⁹

The purpose of developing a Wisconsin POG would be to model what an equitable and student-centered educational system can look like for schools across the state. Student-centered pathways encompass practices designed to meet each student’s individual needs. This means creating high school learning environments that are personalized, competency-based, student-driven and connected to real-world experiences. Student centered pathways support the development of the skills and knowledge necessary for success in college, career and civic life.⁴⁰

Implementation Grants

The department would also administer a new grant program to award funding to school districts to implement a POG program and encourage the adoption of innovative education practices in schools. The department requests \$2,000,000 GPR annually, beginning in FY27, for the implementation grants. Examples of how implementation grant funds could be used by school districts is included in Appendix A of this paper. The department also requests \$85,500 GPR in FY26 and \$111,1000 GPR in FY27, and the creation of a 1.0.0 FTE permanent position, to coordinate the work of developing a statewide model POG and to administer the proposed implementation grant program.

Statutory Language

The department is proposing statutory language related to this request.

³⁹ Levine, Eliot, & Patrick, Susan (2019). What Is Competency-Based Education? An updated definition. Vienna, VA: Aurora Institute.

⁴⁰ Education Commission of the States, State Policies to Advance Student-Centered Pathways, by Ben Erwin, Tom Keily and Lauren Peisach, June 2024 Policy Brief [PB 0624 State-Policies-to-Advance-Student-Centered-Pathways.pdf \(ecs.org\)](#)

Appendix A

Example of a Wisconsin District-Based Portrait of a Graduate Program

[Kettle Moraine School District](#), located in Wales, WI, is home to a diverse community of schools organized under one POG (“ Graduate Profile”) designed to fit each student’s current skills, experiences, and dispositions and best prepare them for their own future. The Kettle Moraine “Self-Directed and Resilient Learner” graduate profile component helps learners develop and demonstrate agency and ownership in their learning. This isn’t just a sign that hangs on the wall in the halls of Kettle Moraine; this is a real goal they are implementing within their schools. From kindergarten to senior year, students are given a voice and choices about how they want their learning experience to look. Whether a student is deciding which learning environment to enroll in, what they want their history project to look like, or what type of community outreach they want to commit to, students are demonstrating agency and self-direction.

KM Global, a charter school in Kettle Moraine focusing on global leadership and innovation, challenges students every day with this aspect of the graduate profile. Each semester, KM Global students develop an interdisciplinary inquiry project of their choice. Students do research, connect with field experts, and have discussions with their peers based on a topic of their interest and passion. Additionally, students choose the competencies they earn for their inquiry projects. They reflect on their learning thus far and consider: 1) where they are at, 2) what they need, and 3) how they will get there.

Examples of Best Practices and Innovations for School Districts to Consider (from Tennessee’s Innovative School Models Blueprint)⁴¹

- Coordinate class-schedules with postsecondary and industry partners to increase student access to workforce and labor needs
- Create space (in person and virtually) to access advisors, mentors, and teachers who can provide intervention, tutoring, counseling, and other services and support to students.
- Develop new pathways and course offerings to align with workforce needs
- Develop new partnerships for work-based learning
- Integrate career awareness and relevance into core courses
- Integrate virtual reality tools into the educational experience
- Provide teachers with professional development and externships to support their ability to deliver industry and career aligned instruction within core content areas and within industry specific courses.

⁴¹ Innovative School Models. Tennessee Dept. Of Education, Innovative School Models Blueprint, Revised February 2024. [Innovative School Models](#).

DECISION ITEM 6036 – PARTICIPATION IN GRADUATION CEREMONIES

Request

The department requests a change to state law to prohibit schools from restricting students who have unpaid fees from participating fully in graduation ceremonies.

Statutory Language

The department requests that the following language (or substantively similar language) be created so that no student who is eligible to receive their high school diploma is denied participation in their high school graduation ceremony.

No school board, governing body of a charter school authorized under Wis. Stat. sec. 118.40 (2r) or 118.40 (2x), or governing body of a private school participating in a program under Wis. Stat. sec. 115.7915, 118.60, or 119.23 may prevent or disallow, or create a policy that would prevent or disallow, a student who otherwise meets the requirements for a high school diploma from participating in the graduation ceremony of their graduating class, including but not limited to preventing or disallowing the student from receiving their diploma in the same manner as every other student receiving a diploma at the graduation ceremony, solely for the reason that the student has a balance of unpaid fees at the time the graduation ceremony occurs or at any point during which the student was a student at the school or school district.

DECISION ITEM 5005 – GRANT FOR IT EDUCATION

295 – Grant for information tech ed

s. 20.255 (2)(eb)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$875,000	\$875,000
Less Base	\$625,000	\$625,000
Requested Change	\$1,500,000	\$1,500,000

Request

The department requests an increase of \$625,000 GPR in FY26 and \$625,000 GPR in FY27, for the Information Technology (IT) Education Grant program. The department also requests changes to the statutory language for this program, to allow for more flexible use of funds by recipients, and to expand the eligibility for receiving funding from the program.

Background

Under [Wis. Stat. sec.115.455](#), the department is authorized to award a grant to an entity to provide information technology education opportunities to public school pupils in grades 6 to 12, technical college district students, and patrons of public libraries, referred to as the Information Technology (IT) Education Grant. Only one entity is awarded the grant each year.

Proposal

The department proposes changes to the statutory language for the IT Education Grant program, to allow more than one entity to be awarded grant funding under the program. The proposed statutory language changes would also create flexibility in terms of the criteria for grant eligibility and for use of the grant funds. See the Appendix to this paper for specific changes requested by the department. The proposed changes would accomplish the following:

- Clarify that the IT Education Grant program is a program under which grants are awarded via a grant application process, by eliminating the reference to “request for proposal process”, which is sometimes understood to mean part of a bidding process for contracts, rather than grants.

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- Clearly state that the department may award grants to more than one entity and that the program would be a competitive grant program.
- Require that eligible grant applicants demonstrate an ability to provide IT instructional programs in schools, including how the grant applicant would develop the instruction programs that include at least one of the components specified under current law (rather than that the instructional program include every component specified under current law).
- Rather than specify the number of sites at which the instructional programming must be provided, require the department ensure that in awarding grants to eligible applicants, the IT Education Grant program will maximize the number of sites at which the instructional programs can be accessed by public school pupils, patrons of public libraries, and technical college students.

Additionally, the department requests that the appropriation for the IT Education Grant program be increased by \$625,000 GPR in FY26 and in FY27, resulting in a total appropriation of \$1,500,000 GPR each year for awards under this grant program.

The requested changes are intended to broaden the types of IT Education instructional programming that could be made available to K-12 pupils, technical college students, and the public generally (patrons of public libraries).

Additional Considerations – Career and Technical Education Incentive Grants

Finally, the department urges the administration and the Legislature to consider relationship between this IT Education Grant program and the current law program for a Career and technical education incentive grant award program under [Wis. Stat. sec. 106.273](#) (often referred to the technical incentive grant, or TIG). Under the TIG program, school districts are eligible for grant awards for high school pupils who have: a) obtained a high school diploma or technical education high school diploma from a school in the school district, and b) successfully completed an approved, industry-recognized certification (IRC) in a school year in which the IRC program was approved (up to \$1,000 per pupil, pending available funding). The responsibility for IRC program approval resides with the Wisconsin Department of Workforce Development (DWD).

Current law prohibits a school district from receiving the TIG award if the IRC program completed by the high school pupil is a program provided as a result of a grant awarded to an entity under Wis. Stat. sec. 115.455. In other words, if the program was offered by an entity that was awarded an IT Education Grant and the program met all criteria (in current law) for an IT Education Grant, the school district does not receive the TIG award for that pupil, despite the pupil successfully completing the program and receiving the IRC.

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The department suggests that this relationship be reassessed, to reduce confusion that exists about which IRC programs are allowed under the TIG program, and to ensure that the current law provisions do not interfere with access to IT Education instructional programming or to the TIG for school districts.

Statutory Language

The department is proposing statutory language related to this request (see Appendix).

Appendix – Statutory Language Changes for the IT Education Grant Program

115.455 Grant for information technology education.

(1)

(a) The department shall develop a competitive ~~request-for-proposal process grant program to for the~~ award ~~of a one or more grants to an entity to provide support~~ information technology education ~~and certification~~ opportunities to public school-pupils in grades 6 to 12, technical college district students, and patrons of public libraries.

(b) The department shall accept applications from entities responding to the ~~request for proposal competitive grant program~~ under par. (a) and shall, from the appropriation under s. 20.255 (2) (eb), award a one or more grants to an entity/entities that, ~~subject to sub. (3)~~, satisfies the requirements under sub. (2).

(2) To be eligible for a grant under this section, ~~the entity grant applicant~~ shall demonstrate that ~~it has successfully its ability to~~ offered an information technology instructional program in schools in this state and ~~demonstrate how it would shall~~ develop an instructional program that includes at least one all of the following components, ~~and shall ensure that the instructional program will be operated in 225 sites, including 16 public libraries:~~

(a) A research-based curriculum emphasizing the development of information technology skills.

(b) Online access to the curriculum.

(c) Instructional software for use in the classroom and at a pupil's home.

(d) A curriculum that aligns with the coding and other techniques included on the computer science Advanced Placement examination. In developing the curriculum required under this paragraph, the entity shall ensure that a pupil who successfully completes the curriculum and passes the Advanced Placement examination is eligible for certification.

(e) Certifications of skills and competencies in a broad range of information technology-related skill areas, including applications used most often in businesses.

(f) Professional development and co-teaching for teachers and administrators, including teachers providing instruction in the information technology program.

(g) Deployment and program support, including integration of the information technology instructional program with curriculum standards.

(h) Opportunities for pupils completing the information technology program to earn college credit.

(2a) In awarding grants under sub. (1), the department shall strive to ensure that entities receiving the grant maximize the number of sites at which the information technology education and certification opportunities can be accessed by public school pupils in grades 6 to 12, technical college district students, and patrons of public libraries

~~(3) In awarding the grant under sub. (1), the department shall give preference to an entity that demonstrates that it has successfully provided high-quality information technology instructional programming and educational opportunities to pupils enrolled in or attending schools in this state.~~

DECISION ITEM 5006 – GRANTS FOR IT INFRASTRUCTURE AND CYBERSECURITY

298 – Grants for information technology infrastructure and cybersecurity

s. 20.255 (2)(ec)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$13,500,000	\$13,500,000
Less Base	\$0	\$0
Requested Change	\$13,500,000	\$13,500,000

Request

The department requests an increase of \$13,500,000 GPR in FY26 and \$13,500,000 GPR in FY27 in a new, annual appropriation for a formula grant program to improve information technology (IT) infrastructure in public school districts, independent charter schools (ICS), the Wisconsin Center for the Blind and Visually Impaired (WCBVI), the Wisconsin Educational Services Program for the Deaf and Hard of Hearing (WESP-DHH), tribal schools, and public libraries. This paper will refer to school districts, ICS, the WCBVI, WESP-DHH, and tribal schools as LEAs (local education agencies).

Of the total \$13,500,000 requested annually, \$1,000,000 would be dedicated to serving public library systems, \$12,000,000 would be dedicated to serving LEAs, and the remaining \$500,000 would be used to purchase software licenses and/or other services that would be made available to libraries and LEAs but purchased by the department.

Background

Under the Technology for Educational Achievement in Wisconsin (TEACH WI) program, the Department of Administration (DOA) was responsible for administering several programs to assist K-12 schools (public and for some programs, also private), CESAs, other educational institutions, as well as public museums and public libraries in establishing IT infrastructure and telecommunications (internet) access.

Presently, the TEACH program consists of two programs: financial assistance in the form of subsidized Internet access (Telecommunications Access Program) and payment of debt service costs for the financing of infrastructure loans made to school districts (Technology Infrastructure Financial Assistance Program). However, until June 30, 2021, the state also provided \$3,000,000 annually in the form of assistance to schools and libraries under the IT Infrastructure Grant Program (still referred to as “Information Technology Block Grants” in the statute under Wis. Stat. sec 16.9945, 2019 Wis. Statutes).

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Under the prior law program IT Block Grant program, the Department of Administration (DOA) awarded funding to public school districts LEAs (based on statutory formula) for any purpose related to educational technology. Under that statute, for the purpose “improving information technology infrastructure”, eligible expenditures under the grant program included “purchasing and installing on a bus a portable device that creates an area of wireless Internet coverage” (for LEAs), as well as “purchasing for individuals to temporarily borrow from a school or for patrons to check out from a public library a portable device that creates an area of wireless Internet coverage” (for public libraries).

In awarding grants to eligible school districts, the program gave priority to applications for school districts in which the percentage of pupils satisfying the income eligibility criteria for a free or reduced-price lunch was greater than in other applicant school districts.

Under the prior law IT Block Grant program, the maximum amount the department was authorized to award to an eligible school district was determined by the district's membership. For districts with fewer than 750 pupils, the limit was \$30,000, districts with 750 to 1,500 pupils could receive \$40 multiplied by their membership, and districts with more than 1,500 pupils were capped at an award of \$60,000. Similarly, the awards for eligible public libraries depended on the population of the municipality where the library was located. Libraries in municipalities with 2,000 or fewer residents were eligible to receive up to \$5,000, those with populations between 2,001 and 5,000 were eligible for up to \$7,500, and libraries serving populations between 5,001 and 20,001 were eligible to receive up to \$10,000.

Since the program had sunset, schools and libraries have had to rely on local funds to support their ongoing technology infrastructure needs. This has become a significant expense for schools and libraries in rural communities where internet access is limited. The department believes that reinstating state support to improve information technology infrastructure could provide the assistance that schools and libraries require to respond to their technology needs in an equitable manner.

Proposal

To address ongoing IT infrastructure needs in the state, the department proposes creating a formula grant program, with allocations directed to all LEAs. Each LEA would receive a minimum allocation of \$10,000, and a per pupil award, but not to exceed \$100,000 per LEA. The per pupil dollar amount would be set to fully allocate \$12,000,000 annually. The department anticipates that the per pupil amount will fall between \$10 and \$11.

Public library systems would also receive funding, with the allocation determined by the department using factors such as population density and unemployment in each public library system.

LEAs and public libraries could use the funding as permitted under prior law. In addition, allowable uses would include covering non-reimbursable portions of e-rate related

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expenses, enhancing broadband connectivity, and purchasing cybersecurity and privacy tools, licenses, and hardware.

An additional \$500,000 is proposed for the department to support district and library needs related to e-rate, cybersecurity, and privacy services. This extra support would help ensure that schools and libraries have the necessary tools and resources to protect their digital infrastructure and maintain secure internet access.

Statutory Language

The department is proposing statutory language related to this request.

STUDENT WELLNESS: MENTAL AND PHYSICAL HEALTH

Mental Health Programs

DECISION ITEM 6040 – MENTAL HEALTH TRAINING PROGRAM

118- Mental health training program

s. 20.255 (1)(ep)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$800,000	\$800,000
Less Base	\$420,000	\$420,000
Requested Change	\$380,000	\$380,000

Request

The department requests an increase of \$380,000 GPR in FY26 and \$380,000 GPR in FY27 to increase support for existing mental health training programs and to expand the types of mental health trainings that can be offered beyond the three specific program strategies authorized under current law. The department also requests that the mental health trainings be made available for staff working in out-of-school time programs that serve school-aged children and youth.

Background

Under current law, funding is provided to the department to provide school mental health training opportunities for school staff. The existing mental health training program was created under 2017 Act 31 (enacted July 17, 2017), which provided \$200,000 GPR annually beginning in FY17. Subsequently, with the passage of 2017 Act 59 (the 2017-19 budget), the appropriation was provided an additional \$220,000 GPR annually, also beginning in FY17. The combined result of those Acts was to provide \$420,000 GPR annually in the appropriation for mental health training. The state funding supports training opportunities aimed at increasing capacity within schools (schools districts and independent charter schools) to provide mental health screening and intervention services to pupils.

The existing program uses three key program strategies specified in state statute: Youth Mental Health First Aid (YMHFA), Trauma Sensitive Schools (TSS), and SBIRT (Screening, Brief Intervention, Referral and Treatment). The three identified program strategies that are allowable under the statute are all evidence-based interventions. See Appendix A of

this this paper for more information about training and activities provided under these three programs.

The department has repeatedly requested additional state funding for the mental health training program, to expand both the number and types of training offerings:

- 2023-25 Budget Request: the department requested \$580,000 GPR annually, beginning in FY24, to expand the scope of trainings to include additional mental health and school climate/safety related trainings for school staff; and, additionally, that mental health trainings be made available for staff working in out-of-school time programs that serve school-aged children and youth.
- 2021-23 Budget Request: the department requested \$500,000 GPR annually, beginning in FY22, to increase support for existing mental health training programs, to expand the types of mental health trainings that could be offered, and to increase the capacity of the WISH Center to deliver trainings. The proposal sought to expand the scope of trainings to include bullying prevention and violence prevention.
- 2019-21 Budget Request: the department requested \$2,580,000 GPR annually, beginning in FY20, to expand the scope of trainings to include additional mental health and school climate/safety related trainings for school staff.

Expanding Mental Health Training Programs

Current law restricts the use of the program's existing funding to the three statutorily enumerated program strategies. However, limiting the allowable program strategies precludes the department from utilizing other effective and science-based strategies to provide a more comprehensive approach to school mental health.

The department has been advancing school mental health services for a number of years and utilizes a School Mental Health Framework that offers school guidance on how to develop a comprehensive approach to meeting students' mental health needs. The framework focuses on both the delivery of school-based services and collaboration with community mental health providers.

Examples of the expanded training and supports the department is seeking include statewide and regional technical assistance and coaching in comprehensive school mental health promotion, as well as early intervention and treatment, including mental health literacy, bullying prevention, and suicide prevention. Expanding the scope of activities to include targeted training and support to out-of-school time (OST) programs would provide comprehensive school mental health supports to students and staff, further aligning the day school to OST programming to support the whole child.

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Below are three examples of specific mental health programs that could be offered to school staff with increased state funding:

- Compassion Resilience: one such program, Resilience Strategies for Educators, covers the impact of stress, burnout, and compassion fatigue on the overall environment of the school, and facilitates the creation of a practical action plan to create resiliency among educators.
- Bullying Prevention: additional state funding would support the creation of and access to bullying prevention training modules to be accessed by schools online. Additional resources and content would be connected to the modules for school district use. (The intent is not to create a bullying prevention curriculum, because the department already administers a grant program for that purpose.)
- Restorative Practices: one example, Working through Restorative Practices, is a training that helps schools implement restorative practices, whereby students who have engaged in inappropriate behavior that has hurt others must face the harm they have caused to individuals and to the school community. When the student gains an understanding of the harm done, and learns to take responsibility for their actions, progress towards restoring trust with peers and educators can begin.

Shifting the focus to a continuum of supports, rather than a specific program, will provide a larger array of mental health supports for students across all grade bands, including early childhood. Further, a comprehensive approach ensures students are supported throughout the entire day – from the time they begin the school day and into afterschool and other out-of-school time activities and programs. This will ensure equitable access to these supports for all students and families, including targeted support for students most at risk for serious mental health needs and those experiencing suicide ideation. While the department possesses the necessary infrastructure to continue providing the trainings, additional financial support is required to scale up the programs to reach a larger audience of professionals who work with school age students.

Proposal

In prior budget requests, the department has asked for increases in the appropriation to generally expand the types of training that could be funded with the mental health training allocation and to increase the number of training opportunities for schools throughout the state. While prior requests identified specific types of training that could be provided with additional funding, the department did not identify specific costs associated with expanded training opportunities. Department staff have identified the the following two specific purposes for which the additional funding requested would be used and the recommended amounts to support those purposes.

Contracts with Cooperative Educational Service Agencies (CESAs) for TSS Training

Current annual contracts to provide TSS training to schools are \$10,000 per CESA. Additional funding for these contracts would allow CESAs to provide more training opportunities and reach more schools throughout the state. Investing additional resources to train staff in multiple approaches through a trauma sensitive lens will improve implementation and sustainability; further, it will reduce the financial burden schools and communities of procuring additional training opportunities. Under this proposal, the department would increase the annual contracts for each of the 12 CESAs for delivery of TSS training, from \$10,000 per CESA to \$30,000 per CESA (\$240,000 annually), to expand capacity to provide mental health screenings and intervention services to students.

WISH Center

The requested funding increase would enable the department to contract with the WISH Center to support an additional position (located at the WISH Center) to build capacity for providing more training and technical assistance to schools throughout the state. There are currently only four “regional” training coordinators at the WISH Center serving the entire state. Additional financial support for a another position would allow the WISH Center to expand trainings related specifically to suicide prevention, bullying prevention, and compassion resilience – all of which do not have specific state funding sources (\$140,000 annually).

In summary, to implement a more comprehensive approach to school mental health, the department requests an increase of \$380,000 GPR in FY26 and \$380,000 GPR in FY27. The additional state funding would support existing mental health training programs and would expand the types of mental health training that could be offered.

Statutory Language

The department is proposing statutory language related to this request.

APPENDIX A

Current Law Mental Health Training Programs

Youth Mental Health First Aid (YMHFA)

The YMHFA approach is focused on assisting those who interact with students aged 12-18 daily (teachers, school administration, custodial staff, etc.) to help in identifying students with mental health or addiction challenges or crises, so students can be referred to appropriate treatment.

2023-24 Trainings/Programming

- 34 YMHFA training sessions were held for 576 participants in schools and communities throughout Wisconsin.
- The Wisconsin Safe and Healthy Schools Training & Technical Assistance Center (WISH) held two communities of practice to support statewide YMHFA instructors.
- Two trainings of trainers (TOTs) were held to increase the capacity of individuals to provide training on Youth Mental Health First Aid resulting in 24 new trainers from 15 public school districts, one public charter school, one private school, and two organizations.
- YMHFA microlearning opportunities were shared covering accessibility and accommodations, engagement, tips for new trainers and recommendations for training in tribal communities or with indigenous peoples.

Screening Brief Intervention Referral to Treatment (SBIRT)

SBIRT is a well-established, evidence-based public health model used to address selected health behaviors within a population. Originally designed for delivery within healthcare, SBIRT is readily adaptable for delivery in middle and high schools by members of the pupil services team.

2023-24 Trainings/Programming

- 37 schools from 27 districts participated in the School SBIRT (Screening Brief Intervention Referral for Treatment) Project.
- Two day in-person training sessions facilitated learning for new schools and practitioners.

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- Two booster sessions and three communities of practice were held to increase learning and implementation of the brief intervention.
- 293 students received School SBIRT services.

Trauma Sensitive Schools (TSS)

Activities 2023-24

Wisconsin's TSS model includes six guiding principles: safety, trustworthiness, cultural responsiveness, empowerment, collaboration, and choice. Individual TSS Leads from each CESA facilitate future TSS program support within the schools they serve:

- TSS professional development varies by region and is dependent on local context and need. Some CESAs offer trainings/workshops specific to TSS (both to individual local education agencies [LEAs] and regionally), while others incorporate TSS professional development into broader professional development events, such as mental health summits.
- Some CESAs offer single-day TSS trainings/workshops, while others offer professional development over an extended period of time for activities including book studies, communities of practice, or coaching/implementation support.
- Each TSS CESA Lead completes an action plan detailing the professional development that they provide in their region throughout the year.
- In partnership with the Wisconsin Department of Public Instruction and the 12 CESAs, the WISH Center facilitated a TSS leadership development training and community of practice focused on the book *Equity-Centered Trauma-Informed Education* by Alex Shevrin Venet. In the Spring, WISH hosted a statewide webinar for the field, as well as a Q&A for CESA leads featuring the author. There were 188 participants who attended the webinar and 212 registered for the recording in 2023-24.

DECISION ITEM 6041 – SCHOOL-BASED MENTAL HEALTH SERVICES

297 – School-based mental health services grants [current]

Proposed: Aid for comprehensive school mental health services

s. 20.255 (2)(dt)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$93,888,000	\$93,888,000
Less Base	\$10,000,000	\$10,000,000
Requested Change	\$83,888,000	\$83,888,000

Request

The department requests an increase of \$83,888,000 GPR in FY26 and \$83,888,000 GPR in FY27, in the existing appropriation for the school-based mental health service grant program. The increase in funding is intended to expand capacity of school districts and independent charter schools (ICS) to offer support and resources to students and families in need of mental health services in schools. The department also requests the following changes for this program:

- Modify the method for allococating aid, from a simple per pupil calculation, to a model under which each district or ICS is awarded \$100 per pupil (with a guaranteed minimum payment of \$100,000 for the smallest districts and ICS).
- Expand the allowable purposes for which the funding may be used consistent with the department’s 2023-25 budget request.
- Specify that aid would be determined based on prior year membership and enrollment data.
- Change the appropriation title to “Aid for comprehensive school mental health services”, to better reflect the intended purpose of the aid program.

Background

The School Based Mental Health Services (SBMHS) grant program was authorized under Wis. Stat. s. 115.367. From FY20 through FY23, the SBMHS grant program operated as a competitive grant program; funds were awarded to school districts and ICS (collectively, local education agencies, or LEAs) to be used for the purpose of providing mental health services to pupils in collaboration with community mental health providers.

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The 2023-25 state biennial budget (2023 WI Act 19) changed how funds are distributed under the SBMHS grant program, from a competitive grant model to a simple per pupil allocation to all LEAs. Grant amounts are calculated using current year revenue limit membership for school districts and current year enrollment for ICS. LEAs use the SBMHS grant funds to provide mental health services to pupils in collaboration with community health agencies. Strategies may include co-locating community mental health clinics in schools, and providing screening and/or intervention services to students.

Under Act 19, funding for SBMHS allocations is \$25,000,000 in FY24 and FY25, a \$15,000,000 increase from FY23 base funding. However, this is a one-time increase, meaning the base funding for the 2025-27 biennium reverts to \$10,000,000.

FY24 Aid Payments

For aid payments distributed in FY24, the per pupil allocation was \$32.90, providing aid payments for a total 806,191 pupils (combined revenue limit members in school districts and pupils enrolled in ICS in the 2023-24 school year). Aid payments for individual LEAs can be accessed at this link: [School-Based Mental Health Services State Funding | Wisconsin Department of Public Instruction](#) (see “REVISED - School Based Mental Health Funding – 2023-2024” under the “Funding Amounts” section).

The actual FY24 per pupil aid amount exceeds the \$31 per pupil amount that was estimated at the time that 2023 Act 19 was enacted. The variance between the estimated (\$31) and actual (\$32.90) per pupil aid amount is due primarily to the inclusion of carryover budget authority in the appropriation⁴² (\$1,524,521 in FY24), which resulted in \$1.90 more per pupil. Additionally, the actual pupil count was lower than the original estimate (806,450).

The FY24 appropriation was fully expended, with no budget authority carried over into FY25; thus, the FY25 aid payments will be based on \$25,000,000 divided by the combined number of 2024-25 revenue limit members in school districts and pupils enrolled in the ICS. As of the writing of this paper, based on the third Friday in September pupil count data, the combined pupils in all eligible LEAs is 799,455, (787,572 revenue limit members [net of new authorizer ICS pupils] and 11,883 pupils enrolled in ICS). The resulting per pupil aid payment is estimated at \$31.27 for the 2024-25 school year – however, the per pupil aid amount is subject to change, pending the final revenue limit membership and

⁴² The appropriation for the SBMHS grant program [Wis. State. sec. 20.255 (2) (dt)] is a “continuing” appropriation. This means that uncommitted expenditure authority automatically carries over at the end of a fiscal year into the subsequent fiscal year. Carryover in this appropriation indicates that some grant recipients under the formerly competitive SBMHS grant program did not fully expend grant awards (i.e., costs may have come in lower than budgeted for the grant award). The carryover present in FY24 may represent the accumulation of small carryover amounts since the program began. Because the statute directs the department to calculate aid eligibility based on the amount in the appropriation and the total number of pupils in all eligible LEAs, the \$1.5 million budget authority that remained in the appropriation going into FY24 was included in the aid calculation.

enrollment figures for the 2024-25 school year. The department will produce a formal estimate for LEAs around December 2024 and will publish FY25 final aid amounts towards the end of the fiscal year; payments will be made in June 2025.

The change from a competitive grant program to a per pupil allocation means that all LEAs are guaranteed to receive some level of funding to support school based mental health services. Under the most recent competitive grant cycle, just 161 districts received funding. While the shift from a competitive grant to an allocation has positively impacted many LEAs, without a base level of funding for every LEA, many of the state's smaller, and particularly rural, school districts with low enrollment may lose the ability to fund positions they were previously funding with the grant program. This concern also applies to the smaller ICS. The previous grant program had provided up to \$75,000 of funding to grantees.

School Based Mental Health Services - Research

Research indicates that youth are almost as likely to receive mental health services in an education setting as they are to receive treatment from a specialty mental health provider – in 2019, [15 percent of adolescents aged 12-17 reported receiving mental health services at school, compared to 17% who saw a specialty provider](#) (SAMSA [Substance Abuse and Mental Health Services Administration], 2019 National Survey).

A school-based mental health model has the benefit of delivering services in the schools, where pupils spend a significant amount of time; it also removes barriers such as transportation (access and time), and alleviates pressure on parents by eliminating the need to take time off from work to drive for services outside of the school building. Prior research has found that schools are an important setting for receiving mental health services and are often the most common point of entry for services.⁴³

According to a 2019 Journal of School Health study using data from the National Survey on Drug Use and Health reported “the analysis finds that while the majority of adolescents who access mental health services receive care at noneducational settings, **slightly more than one-third of them received services only in an educational setting.**” This same article also noted that “adolescents who had public insurance, were from low-income households, and were from racial/ethnic minority groups were more likely to access services in an educational setting only.”⁴⁴

⁴³ Farmer EM, Burns BJ, Phillips SD, Angold A, Costello EJ. Pathways into and through mental health services for children and adolescents. *Psychiatric Serv*, 2003;54 (1): 60-66.
<https://psychiatryonline.org/doi/epdf/10.1176/appi.ps.54.1.60>

⁴⁴ Ali, M. M., West, K., Teich, J. L., Lynch, S., Mutter, R., & Dubenitz, J. (2019). *Utilization of Mental Health Services in Educational Setting by Adolescents in the United States*. *Journal of School Health*, 89(5), 393-401.

Researchers also point to the “increasing recognition of the potential public health impact of enhancing the capacity of primary care and school mental health to promote early identification, service accesibility, and impact”.⁴⁵

According to the 2022 report from [Mental Health America](#) regarding youth mental health WI ranked 33rd in the nation with 15.99% of youth with at least one major depressive episode (MDE) (about 71,000 youth).⁴⁶

Additional data from [Mental Health America](#) regarding youth experiencing major depression who did not receive any mental health treatment WI is ranked 19th in the nation with 55.10% of youth not receiving treatment – about 36,000 youth (Fritze and Nguyen, Oct 2021).

The available data tells us that there is still a great need for mental health services among students and that the demand for the school-based mental health services grant is robust.

Policy Issues

Funding Level

The current annual appropriation of \$25,000,000 is in place for the current biennium only. It will revert to the previous base funding of \$10,000,000, beginning in FY26, absent a change to the Chapter 20 appropriation. A return to a \$10,000,000 appropriation would likely force most LEAs to reduce the current levels of mental health services they provide to pupils, as this will be a **60 percent decrease in funding**. At \$10,000,000, the appropriation would provide a far lesser amount of aid, roughly \$12.50 per pupil.

If the combined statewide enrollments in school districts and ICS continues to decrease, and the appropriation remains at \$10,000,000, the resulting per pupil payment would increase to somewhat higher than \$12.50 for FY26 and FY27. However, unless the enrollments decrease at rates approaching/exceeding two percent annually, it is unlikely the per pupil aid amount would reach \$13 per pupil in the 2025-27 biennium.

Enrollment Data

Current law specifies that aid is distributed based on *current year* revenue limit membership (school districts) and current year enrollment (ICS). While it may seem appropriate to use the current year pupil counts for current year aid, it does create

⁴⁵ Lyon, A. R., Whitaker, K. Richardson, L.P., et al. (2019). Collaborative care to improve access and quality in school-based behavioral health. *Journal of School Health*, 89,1013.

⁴⁶ Reinert M. Fritze, D. & Nguyen, T., Oct 2021 “The State of Mental Health in America”, *Mental Health America*, 2022, Page 25, [Prevalence Data 2022 | Mental Health America \(mhanational.org\)](#)

challenges in operationalizing the calculation of aid, because the membership and enrollment audits are completed relatively late in the school year (May or June).

The department provides an estimate of current year SBMHS aid allocations to schools around December 1, based on the third Friday in September pupil counts, and the final aid amounts are calculated when membership and enrollment audits are complete. Districts are notified of final aid determinations and aid is distributed in a single payment in June. Using prior year membership and enrollment counts would be beneficial because aid could be calculated much earlier in the school year; schools could be provided with actual aid amounts in the fall, allowing them to more accurately plan expenditures in accordance with anticipated aid for that school year.

Sustainable and Predictable Funding

The department often hears from stakeholders that schools are looking not simply for increased funding, but funding that is predictable and sustainable. This proposal would offer LEAs a relatively predictable funding source specifically for mental health related programming and services. The proposal to provide a higher per pupil amount, with a guaranteed minimum award (\$100,000 per LEA), would provide sufficient funding to allow even the smallest LEAs to maintain school based mental health services in schools.

Proposal

The department requests an increase of \$83,888,000 GPR in FY26 and \$83,888,000 GPR in FY27, in the existing appropriation for the school-based mental health service grant program. The increase in funding is intended to expand capacity of LEAs to offer support and resources to students and families in need of mental health services in schools.

Additionally, the department requests modifications to the program, including shifting to an allocation model that provides \$100 per pupil and guarantees a minimum payment of \$100,000 for the smallest districts and ICS; specifying that aid would be determined based on prior year membership and enrollment data, and changing the appropriation title to “Aid for comprehensive school mental health services”, to better reflect the intended purpose of the aid program.

Finally, the department also proposes to expand the allowable purposes for which the funding may be used. Current law, under Wis. Stat. sec. 115.367, authorizes LEAs to use grant funds “for the purpose of collaborating with mental health providers to provide mental health services to pupils”. The department’s intention is that LEAs be permitted to use the funding for a broad array of purposes that meet an overarching goal of providing comprehensive support to students during the school day and while they are engaged in after school and other out-of-time school programs. Under the department’s proposal, allowable uses of the proposed aid would include (but not be limited to):

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- Mental health Evidence-Based Improvement Strategies (EBIS)
- Mental health literacy and stigma reduction programs for students and adults
- Collaborating and/or contracting with community mental health providers, consultants, organizations, CESAs, and other experts to provide consultation, training, mentoring, and coaching
- Parent training and informational events
- Student and Family Assistance Programs (SFAP)
- School-employed mental health professionals accessible to all students
- Mental health navigators
- Mental health system planning
- Translator and interpreter services
- Offsetting the costs associated with school-employed mental health professionals accessible to all students (to complement state aid received via the state categorical aid program for school staff – see the department’s DIN 6042).

The following would be considered ineligible for reimbursement under this proposal:

- Payments for direct treatment services or insurance deductibles
- Non-mental health-related training
- Staff salaries for non-mental health-related positions
- Indirect costs of regular school operations (e.g., existing overhead expenses).

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6042 – MENTAL HEALTH CATEGORICAL AID – STAFF

227 – Aid for school mental health programs [current]

Proposed: Aid for school mental health programs; pupil services staff

s. 20.255 (2)(da)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$74,752,000	\$79,237,000
Less Base	\$12,000,000	\$12,000,000
Requested Change	\$62,752,000	\$67,237,000

Request

The department requests an increase of \$62,752,000 GPR in FY26 and \$67,237,000 GPR in FY27, to expand the current law Aid for School Mental Health Programs to include reimbursement for expenditures made for pupil services staff, rather than just for school social workers. Additionally, the department requests that this aid program be restructured to eliminate the current law two-tiered aid model. The department also requests to change the name of the program to “Aid for school mental health programs; pupil services staff” to better reflect the purpose of this aid program.

Background

School-based mental health professionals assist and strengthen schools and districts by providing comprehensive supports. These professionals work collaboratively to meet the many needs of students and staff with their unique skills, training, and expertise through a team-based approach. Collaboration, consultation, and direct services are provided within multi-level systems of support, which emphasize evidence-based interventions, data-based problem-solving practices, connecting families with resources, and equitable mental health services, access and outcomes⁴⁷.

Wisconsin pupil services professionals include school counselors, school psychologists, school social workers, and school nurses. In Wisconsin, the ratio of pupils to pupil services professionals shifts slightly from year to year. Even so, in Wisconsin, the ratio of pupils to pupil service professionals greatly exceeds the staffing levels recommended by national organizations, as shown in Table 1 below:

⁴⁷ Adapted with permission from the Oklahoma State Department of Education, [Counseling and School-Based Mental Health Integration](#)

Table 1. Student-Pupil Service Professional Ratio

Pupil Services Position	Wisconsin Pupil Services Ratios						National Org. Rec.
	2018	2019	2020	2021	2022	2023	
Counselors	420:1	424:1	390:1	381:1	365:1	362:1	250:1
Psychologists	967:1	934:1	845:1	826:1	800:1	774:1	500-700:1
Social Workers	1,468:1	1,418:1	1,196:1	1,136:1	1,065:1	1,016:1	250:1
Nurses	1,871:1	1,850:1	1,632:1	1,516:1	1,443:1	1,420:1	*750:1

*Ratios of 750:1 for students in the general population, 225:1 in the student populations requiring daily professional school nursing services or interventions, 125:1 in student populations with complex healthcare needs, and 1:1 may be necessary for some students who require daily and continuous professional nursing services (National Association of School Nurses, 2010).

The current law categorial aid program provides \$12,000,000 GPR annually to support the provision and expansion of mental health services for students in school districts and independent charter schools (ICS) - collectively, local education agencies (LEAs) - and in private parental choice schools. This program provides reimbursement for expenditures made specifically for school social workers (school district employees or contracted services).

State aid under this program is paid under two tiers; school districts, ICS, and private choice schools that increased expenditures from one year to the next are eligible for aid. Tier 1 eligible expenditures include the *increase in expenditures* for the Social Workers category in the prior year, less expenditures from the year two years prior. Reimbursement is made at 50% of eligible expenditures.

Tier 2 aid is distributed if funds remain in the appropriation after distribution of Tier 1 aid. This remaining funding is used to reimburse school districts, ICS, and private choice schools for increased expenditures for social workers in the prior year, less the amount of increased expenditures that was reimbursed under Tier 1, prorated as necessary.

Department program staff point out that [2017-2023 WI Trend Data on School Social Workers](#)⁴⁸ indicates a significant increase in the number of licensed and employed school social workers in Wisconsin. Other positive impacts include an increase in the percentage of public-school districts with at least one school social worker and an overall improved pupil-school social worker ratio. The department believes expanding this program to the other pupil services professionals will produce similar impacts and further increase pupil access to mental health services in schools. See Figures 1 through 3, below.

⁴⁸ Wisconsin Department of Public Instruction. Public All Staff Report. <https://publicstaffreports.dpi.wi.gov/PubStaffReport/Public/PublicReport/AllStaffReport>. Accessed December 10, 2023

Figure 1. Licensed and Employed School Social Workers

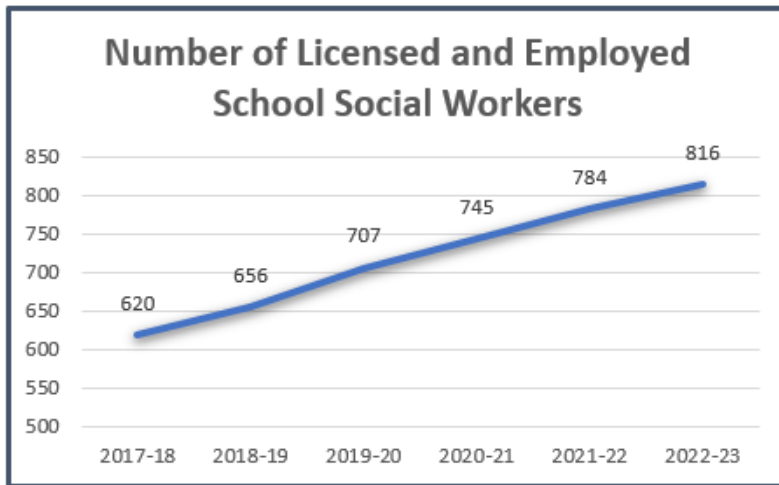


Figure 2. Ratio of Students to School Social Workers

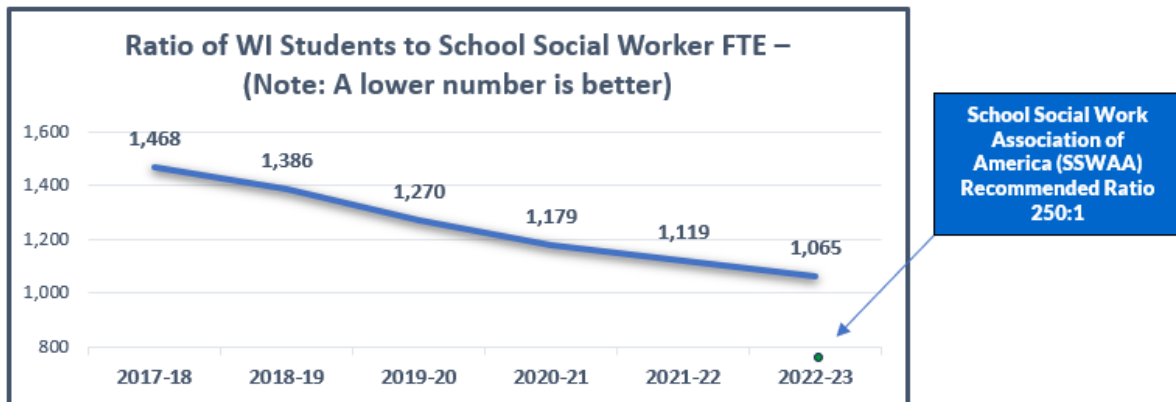
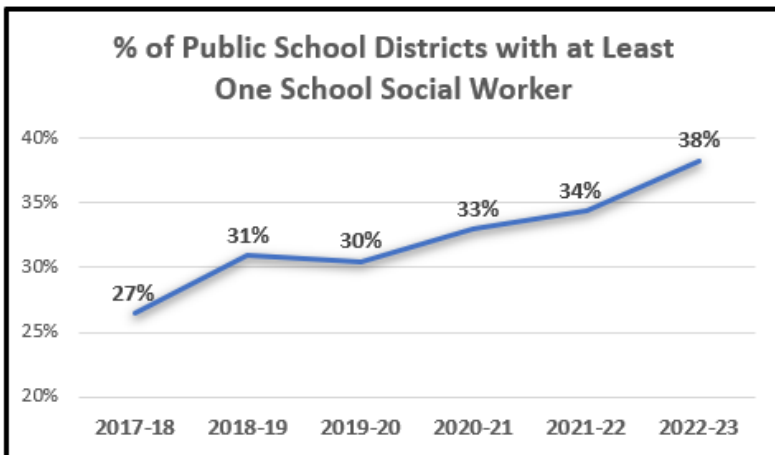


Figure 3. School Districts with At Least One Social Worker



Program History

Table 2 below shows the history of expenditures, aidable costs, and aid payments to eligible entities under the current law categorical aid program. The expenditures data in the column “Prior Year Costs” reflects the reported expenditures by school districts, ICS, and private choice schools.

Table 2. Aid for School Mental Health Programs (Social Workers), FY19 – FY24

AID YEAR (based on prior two years data)	Increase in Expenditures (PY less 2PY)	Tier 1 Aid (50% of increase in expenditures)	Tier 2 Aid (Remaining Expenditures)	Prior Year Costs (school districts, ICS, and private choice schools)	Appropriation	Aid as % of PY Costs
2018-19	\$3,804,754	\$1,902,377	\$1,097,623	\$45,033,607	\$3,000,000	7%
2019-20	\$3,778,332	\$1,889,166	\$4,110,834	\$44,930,179	\$6,000,000	13%
2020-21	\$4,323,562	\$2,161,781	\$3,838,219	\$50,548,322	\$6,000,000	12%
2021-22	\$6,711,749	\$3,355,874	\$8,644,126	\$55,675,409	\$12,000,000	22%
2022-23	\$4,057,852	\$2,028,926	\$9,971,074	\$35,059,649	\$12,000,000	34%
2023-24	\$6,021,727	\$3,010,863	\$8,989,137	\$60,236,139	\$12,000,000	20%

Source: DPI, SSPW Team. The data reported is derived from required annual financial reports submitted by school districts (WISEdata Finance since 2022-23; SAFR prior to 2022-23); and direct reported by the other eligible entities (ICS and private parental choice schools).

Table 3 below shows the reported school district data against the total school social worker expenditures reported by all eligible entities. Note that except for the 2021-22 school year, school district expenditures comprise roughly 50 – 60 percent of reported expenditures for this aid program.

Table 3. Reported Expenditures on School Social Worker Staff

School Year	All Eligible Entities	School Districts	ICS + Private Choice Schools	School District % of Total
2018-19	44,930,179	23,994,859	20,935,320	53%
2019-20	50,548,322	25,818,931	24,729,391	51%
2020-21	55,675,409	29,400,269	26,275,140	53%
2021-22	35,059,649	31,692,818	3,366,831	90%
2022-23	60,236,139	35,241,019	24,995,120	59%

Source: DPI, SSPW team.

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Because school districts are required to report revenue and expenditures using the Wisconsin Uniform Financial Accounting Requirements (WUFAR, the uniform financial fund accounting system), the department was able to review prior year expenditures by function to see how expenditures change from year to year for school social workers and for other pupil services staff, in school districts – see Table 4, below.

Table 4. General Fund Expenditures on Pupil Services Staff

School Year	School Social Worker	School Counselor	School Nurse	School Psychologist	Combined Total
2018-19	23,994,859	173,672,651	43,444,085	13,365,737	254,477,332
2019-20	25,818,931	178,229,215	44,078,602	14,587,599	262,714,347
2020-21	29,400,269	184,219,494	55,333,652	15,836,598	284,790,013
2021-22	31,692,818	193,899,821	64,595,872	18,055,610	308,244,122
2022-23	35,241,019	208,357,678	70,554,159	18,492,377	332,645,233

Source: DPI, SFS Team (WISEdata Finance since 2022-23; SAFR prior to 2022-23).

School counselors, psychologists, social workers, and nurses all provide essential services to students, including those related to mental health. In prior budget requests, the department proposed focusing on providing aid for all types of pupil services professionals (rather than just social workers), to increase the number of professionals providing mental health services and support to students, for two reasons:

- The ratio of pupils to pupil services professionals in Wisconsin falls significantly short of the national recommendations for all pupil services professional group.
- All four pupil services professional groups possess the expertise to work across systems and with community-based professionals and families.

The concern with the existing ASMH program is that it is so limited in scope. When this aid program was initially created, the focus was on assisting districts in hiring and retaining school social worker staff in schools, as that was the category of pupil services staff for which the gap between the recommended and the actual student-to-staff ratio was the highest. Also, the staffing data then showed that of the four pupil services categories, schools had the highest vacancy rates for school social worker positions.

Over the years, the department has requested that the ASMH program be expanded by adding staffing costs for all pupil support positions as allowable costs under the program. While the Legislature has increased the appropriation in both 2019-21 and 2021-23, it has not expanded the aid to include other pupil services positions (School Psychologists, School Counselors and School Nurses). The base appropriation of \$12,000,000 was unchanged in the 2023-25 budget. See Appendix A for information about the

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establishment of this aid program in the 2017-19 biennial budget and the department’s budget requests prior to the 2025-27 biennium.

Now that this program has been in place for several years, the trend data referenced earlier in this paper indicates a significant increase in the number of licensed and employed school social workers in Wisconsin. Other positive impacts include an increase in the percentage of public-school districts with at least one school social worker and an overall improved pupil-to-school social worker ratio. Expanding this aid program to the other pupil services professionals could produce similar impacts and further increase pupil access to mental health services in schools.

Projecting eligible expenditures under this program as currently structured is challenging. By design, the aid program was intended to reward increased spending on school social workers; however, once a district or school has established the “right” level of school social worker staffing, the expenditures are not as likely to increase in subsequent years, other than for inflationary wage increases or promotional increases. Unless the district or school needs to expand social worker staffing, the year-to-year expenditures will likely show modest increases.

Table 5 shows projected expenditures, aid eligibility, and resulting reimbursement rates based on the year-over-year percent change since 2018-19, specifically for school social worker positions. If the appropriation remains at \$12,000,000 annually, the estimated reimbursement rate would decrease, from 20 percent in FY24 to 13% by FY27.

Table 5. Projected Expenditures – School Social Worker Positions

Aid Year (based on prior 2 years data)	Increase in Expenditures for School Social Workers*	Tier 1 Aid (50% of increase in expenditures)	Tier 2 Aid	Prior Year (FY) SSW Expenditures **	Approp.	Aid as % of PY Costs
2024-25	\$6,890,942	\$3,445,471	\$8,554,529	\$67,127,081	\$12,000,00	18%
2025-26	\$7,679,257	\$3,839,629	\$8,160,371	\$74,806,338	\$12,000,00	16%
2026-27	\$8,557,755	\$4,278,878	\$7,721,122	\$83,364,094	\$12,000,00	14%

Proposal

As proposed in prior budget request, the department again requests that the ASMH program be expanded so as to reimburse LEAs for costs related to all pupil services positions and to eliminate the current law two-tier structure (i.e., make it a simple reimbursement of prior year allowable costs aid program). The table below shows the projected increases in total expenditures for all four pupil service categories, assuming six percent annual growth in expenditures that could be reimbursed.

Table 6. Projected Expenditures – All Pupil Services Positions

School Year	Aid Year	School Social Worker	School Counselor	School Nurse	School Psychologist	Combined Total	Percent Change from PY
2017-18	FY19	22,232,196	171,241,042	44,881,365	12,952,126	251,306,729	n/a
2018-19	FY20	23,994,859	173,672,651	43,444,085	13,365,737	254,477,332	1.26%
2019-20	FY21	25,818,931	178,229,215	44,078,602	14,587,599	262,714,347	3.24%
2020-21	FY22	29,400,269	184,219,494	55,333,652	15,836,598	284,790,013	8.40%
2021-22	FY23	31,692,818	193,899,821	64,595,872	18,055,610	308,244,122	8.24%
2022-23	FY24	35,241,019	208,357,678	70,554,159	18,492,377	332,645,233	7.92%
2023-24 (est)	FY25					352,603,947	6.00%
2024-25 (est)	FY26					373,760,184	6.00%
2025-26 (est)	FY27					396,185,795	6.00%

The table below shows the projected expenditures for all staff in all pupil services categories, the amount of those expenditures that would be aided at the current appropriation level (\$12,000,000, FY25, the department’s proposed aid level (20 percent of prior year expenditures), the cost of providing state aid at that level, and the increase to the FY25 base appropriation.

Table 7. Projected Aid and Increase to Base Appropriation (20 Percent Reimbursement, All Pupil Service Categories)

Aid Year	Prior Year Expenditures (All Pupil Services)	FY25 Base Appropriation	Aid as % of PY Costs	Target Aid Level – DPI Budget Request	Aid Amount	Change to FY25 Base
FY24	\$332,645,233	\$12,000,000	3.6%			
FY25	\$352,603,947	\$12,000,000	3.4%			
FY26	\$ 373,760,184	\$12,000,000	3.2%	20.0%	\$74,752,000	\$62,752,000
FY27	\$396,185,795	\$12,000,000	3.0%	20.0%	\$79,237,200	\$67,237,200

The department requests an increase of \$62,752,000 GPR in FY26 and \$67,237,000 GPR in FY27, to expand the current law Aid for School Mental Health Programs to eliminate the current law two-tiered aid model and to reimburse for prior year expenditures made for all pupil services staff (rather than just for school social workers). The department also requests to change the name of the program to “Aid for school mental health programs; pupil services staff” to better reflect the purpose of this aid program.

Statutory Language

The department is proposing statutory language related to this request.

APPENDIX A

Prior Biennial Budget Requests

2017 WI Act 59

The initial mental health categorical aid program requested by the department in collaboration with stakeholders was enacted as part of the 2017-19 state biennial budget (Act 59). The program was funded with an appropriation of \$3,000,000 GPR beginning in FY19 to support school district and independent charter schools in the provision and expansion of mental health services, by reimbursing school districts for expenditures on social worker services (district employees or contracted services).

The Legislature modified the program under Act 59 to allow private schools participating in a parental choice private school program to be eligible for the aid program and specified that private schools would be subject to the same reporting and other requirements as public schools.

2019 WI Act 9

2019-21 biennial budget: the department requested increases of \$22,000,000 GPR in FY20 and in FY21 to include reimbursement for expenditures made for all pupil service categories, rather than just for social worker services; to provide aid for costs incurred, rather than for year-over-year increase in costs; and to reimburse eligible LEAs (local education agencies) for allowable expenditures at 10%. The Legislature increased the annual appropriation by \$3,000,000 GPR to \$6,000,000 GPR but denied the request to expand the program to cover all pupil services categories.

2021 WI Act 58

2021-23 biennial budget: the department requested \$22,500,000 in FY22 and \$24,000,000 in FY23 above annual base level funding of \$6,000,000 and expand the program to cover all pupil services categories. The Legislature increased the annual appropriation by \$6,000,000 GPR to \$12,000,000 GPR but denied the request to expand the program to cover all pupil services categories.

2023 Act 19

2023-25 biennial budget: the department requested net increases of \$18,000,000 GPR in FY24 in FY25, to expand the *current law* Aid for School Mental Health Programs to include reimbursement for expenditures made for pupil services staff generally, rather than just for school social workers. The Legislature denied that request and maintained the current appropriation level at \$12,000,000.

DECISION ITEM 6043 – PEER-TO-PEER SUICIDE PREVENTION GRANT

246 – Peer-to-peer suicide prevention program; grants

s. 20.255 (2)(du)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$600,000	\$600,000
Less Base	\$250,000	\$250,000
Requested Change	\$350,000	\$350,000

Request

The department requests an increase of \$350,000 GPR in FY26 and \$350,000 GPR in FY27, to expand the use of peer-to-peer suicide prevention programs in more Wisconsin schools. The department also requests a statutory change to increase the maximum grant award for Peer-to-Peer Suicide Prevention Grants from \$1,000 to \$6,000. This would more accurately reflect the actual costs to a school to implement this type of program. With the requested increase, the appropriation would fund 100 grant applications at the proposed maximum (\$6,000) award level.

Background

As created by 2019 Act 83, the Peer-to-Peer Suicide Prevention Grant program provides grants for public, private, and tribal schools operating high school grades to implement peer-to-peer suicide prevention programs; the funding may also be used to support and/or expand existing programs. Beginning in the 2020-21 school year, the department began awarding grants up to \$1,000 per local education agency (LEA) or private/tribal school, through a competitive application process. Act 83 appropriated \$250,000 in beginning in FY21 for the grants.

Youth Risk Behavior Survey

The department administers a statewide high school survey provided by the Center for Disease Control (CDC) every other year to measure student perceptions, called the Youth Risk Behavior Survey (YRBS). [The 2023 YRBS](#)⁴⁹ results show that suicide continues to be a

⁴⁹ Wisconsin Department of Public Instruction Summary Report- 2023 Wisconsin Youth Risk Behavior Survey: https://dpi.wi.gov/sites/default/files/imce/sspw/pdf/WI_2023_YRBS_Summary.pdf.

major concern for Wisconsin youth, and that anxiety and depression are common. The survey also points to the fact that young people in distress are twice as likely to turn to peers, rather than adults. Equipping youth to work effectively with friends or other peers who may be suicidal is therefore an important component of Wisconsin's youth suicide prevention strategy.

The YRBS asks students a series of questions about suicidal thoughts and behaviors during the past 12 months. The survey results show the following:

- 18.6% seriously considered suicide
- 14.9% made a plan to attempt suicide
- 8.7% attempted suicide.

Rates of students considering suicide have increased over the last 10 years. However, the percentage of students who made a plan, attempted suicide or both has remained statistically unchanged from the 2021 results.

Wisconsin's suicide rate exceeds the national rate. (Note: the analysis below uses 2021 YRBS data rather than the 2023 YRSB BS data [above] for comparison purposes, because 2021 national data is the most recent federal data available).

- In 2021, more than 1 in 5 high school students across the nation seriously considered attempting suicide (22.2%) and 17.6% made a suicide plan. During the same time in Wisconsin, 18.1% of high school students seriously considered suicide and 14.8% made a suicide plan⁵⁰ (Centers for Disease Control and Prevention YRBS Explorer, accessible at: [WISQARS Explore Fatal and Nonfatal Data \(cdc.gov\)](#))
- National Youth Suicide Rate: 5.16 for those aged 10-17 and 16.40 for those aged 18-24 (per 100,000, 2018-2021) [WISQARS Explore Fatal and Nonfatal Data \(cdc.gov\)](#)
- Wisconsin Youth Suicide Rate: 5.66 for those aged 10-17 and 16.76 for those aged 18-24 (per 100,000, 2018-2021) [WISQARS Explore Fatal and Nonfatal Data \(cdc.gov\)](#)

Peer-to-Peer Training

Peer-to-peer training is an integral component of many youth suicide-prevention programs. This model trains students to recognize warning signs in depressed or suicidal peers, and to empower them to report those signs to an adult. Peers are considered to be the most effective receptors of warning signs because they spend so much time together and are able to recognize when someone is acting differently.

⁵⁰ Centers for Disease Control and Prevention (CDC). 1991-2021 High School Youth Risk Behavior Survey Data. Available at <http://yrbs-explorer.services.cdc.gov/>. Accessed on June 19, 2024

[HOPE Squad](#) is one example of a school-based peer-to-peer training program. The program is characterized by partnerships between schools and local mental health and community agencies. HOPE Squad students are trained by knowledgeable adults to be active listeners and supported by those adults to help and respond to peers who are struggling with emotional issues, such as depression and suicidality, as well as reporting behavior and concerns to adults.

Another example is the [Sources of Strength](#) program. This is a strength-based comprehensive wellness program focused primarily on suicide prevention but also touches on other issues such as substance abuse and violence. The program is based on a relational connections model that uses teams of peer leaders who are mentored by adult advisors to change peer social norms about help seeking. It also encourages students to individually assess and develop strengths in their life. Peer leaders interact with their classmates to have one-on-one conversations and develop materials to promote protective factors in students' lives. The program promotes and focuses on connectivity, school bonding, peer-adult partnerships, and help seeking behaviors.

Key Benefits of Peer-to-Peer Training

Peer-to-Peer Training is a recognized strategy by the US Department of Health and Human Services. (DHSS) and having a program to engage students in suicide prevention is included in its Preventing Suicide: Tool Kit for High Schools⁵¹. This program reaches young people where they are most likely to seek help. Young people are more likely to turn to peers in times of emotional distress than to adults.⁵² According to the American Journal of Health, there is evidence that peer support programs can make a difference in reducing risk factors.⁵³

Grant Awards

As show in the table below, the number of grants awarded has ranged from 63 to 109 (average was 85) in the four year the grant program has been in operation.

⁵¹ Substance Abuse and Mental Health Services Administration. Preventing Suicide: A Toolkit for High Schools. HHS Publication No. SMA-12-4669. Rockville, MD: Center for Mental Health Services, Substance Abuse and Mental Health Services Administration, 2012
<https://store.samhsa.gov/sites/default/files/sma12-4669.pdf>

⁵² Wisconsin Department of Public Instruction Summary Report- 2023 Wisconsin Youth Risk Behavior Survey https://dpi.wi.gov/sites/default/files/imce/sspw/pdf/WI_2023_YRBS_Summary.pdf

⁵³ [American Journal of Public Health \(AJPH\)](#), September 2010, "[An Outcome Evaluation of the Sources of Strength Suicide Prevention Program Delivered by Adolescent Peer Leaders in High School](#)"

Table 1. Grant Awards and Claims, FY21-FY24

Fiscal Year	Number of Grant Awards	Total Grant Award Amount	Awards as a % of Appr.	Total Claims Paid	Claims as a % of Awards
FY21	63	\$61,153	24%	\$37,246	61%
FY22	79	\$77,985	31%	\$60,713	78%
FY23	109	\$108,890	44%	\$92,025	85%
FY24*	90	\$89,500	36%	\$70,936	79%
Average, all years**	85	\$84,382	35%	\$65,230	77%

*FY24 figures reflect processed and pending claims as of November 4, 2024. The claims process for grants awarded for the 2023-24 school year is still open through the first week of December 2024; thus, the final total claims amount (and claims as a percentage of awards) may be higher.

**The “Average, all years” figures for the categories “Total Claims Paid” and for “Claims as % of Awards” reflect FY24 data through November 4, 2024.

Given the low dollar level of grant awards relative to the appropriation, department staff worked with schools to identify why more schools were not applying for grants and identified a few factors. Firstly, the Peer-to-Peer grant program was just getting started during the first full school year in the COVID pandemic, which disrupted schooling in many ways, including applying for grants under a newly established program. Simply put, schools faced challenges trying to establish new Hope Squad or SOS programs during the COVID pandemic.

Second, some schools also may not have the resources or staff capacity to write for a grant and/or determined that the time and effort required to apply for the grant did not justify the relatively low grant amount (\$1,000 maximum per applicant), particularly if the grant funds were not sufficient to cover costs of training, curriculum, and other necessary resources. That is, the maximum grant award of \$1,000 per grantee does not cover full costs of the programming, potentially precluding some schools from applying for this grant. The department believes that increasing the maximum award amount to a level that better captures the actual costs a school incurs to implement a peer-to-peer suicide prevention program would enable more LEAs to establish these prevention programs.

According to program staff, the estimated costs to schools to provide peer-to-peer suicide prevention programming is approximately \$6,000. The costs of either a Hope Squad or Sources of Strength (SOS) program is between \$4,000-\$5,000. Additionally, there are other costs commonly associated with program implementation (beyond training, curriculum, and staff time), including:

- Transportation for regional, in-person training (\$200-\$900)
- Substitute pay for when staff is away being trained (\$200-\$500)
- Publicity: posters, radio ads, etc. [Hope Squad and SOS] (\$300-\$1,000)

Proposal

The department requests an increase of \$350,000 GPR in FY26 and \$350,000 GPR in FY27 to support the use of peer-to-peer suicide preventions programs in more Wisconsin schools. The department also requests a statutory change to increase the maximum grant award for Peer-to-Peer Suicide Prevention Grants from \$1,000 to \$6,000. This would more accurately reflect the actual costs to a school to implement this type of program. The requested increase in funding would support 100 grant applications at the \$6,000 award level.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6044 – AODA PREVENTION GRANTS

228–Aid for alcohol and other drug abuse programs (PR-S)

s. 20.255 (2)(kd)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$1,518,600	\$1,518,600
Less Base	\$1,284,700	\$1,284,700
Requested Change	\$233,900	\$233,900

280 – Alcohol and other drug abuse programs; grants (GPR)

s. 20.255 (2)(fx)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$4,520,000
Less Base	\$0	\$0
Requested Change	\$0	\$4,520,000

Request

The department requests an increase of \$233,900 PR-S in FY26 and \$233,900 PR-S in FY27 to expand support for alcohol and other drug abuse (AODA) prevention programs in schools that are provided under the current law appropriation for aid for AODA programs.

The department also requests an increase of \$4,520,000 GPR beginning in FY27 to restore funding for the AODA program that existed under prior law, Wis. Stat. sec. 20.255 (2) (dm), Grants for alcohol and other drug programs (recreate as a continuing appropriation). This would provide increased support to school districts to expand existing programs and/or implement new AODA prevention programs.

Background

The department provides access to a wide range of AODA-related resources, including grants, training, educational materials, networking opportunities, and technical assistance. AODA prevention program grants provide funding for the development and expansion of district-wide, comprehensive, kindergarten through grade 12, AODA

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prevention curricula, as well as K-12 prevention and early intervention programming as part of a coordinated school health program.

Prior to 2012, the department received \$4,520,000 GPR in an annual appropriation to fund AODA grants to LEAs under Wis. Stat. sec. 20.255 (2) (dm), *Grants for alcohol and other drug programs*. However, the funding and statutory language for this school aid appropriation was reduced and completely eliminated beginning in FY12 (2011-13 biennial budget).

Following the loss of state support in 2012, the department was forced to reduce grant funding and support to schools. Since then, state funding for school AODA prevention has remained flat, while the increase in alcohol and drug abuse has grown.

Two state appropriations currently fund the department's AODA programs. Both are supported with program revenue the department receives from the Wisconsin Department of Justice (DOJ), which are derived from a portion of the fines and forfeitures collected by DOJ.

1. Wis. Stat. sec. 20.255 (1)(kd), *AODA programs*: provides \$628,500 PR-S annually to the department for operations (supports 4.05 FTE positions) and student mini grants.
2. Wis. Stat. sec. 20.255 (2)(kd), *Aid for AODA programs*: provides \$1,284,700 PR-S annually to the department. The majority of these monies are distributed to school districts as competitive grants, but a portion is used for training and technical support to school staff. Grant awards range from \$15,000 to \$25,000, based on the size of the district.

On June 30, 2024, the department released its 2022-2024 AODA Report to the legislature. The report summarized the department's school-based AODA prevention and intervention initiatives, including grant-making, training, and technical assistance. The total AODA allocation to the department was divided among school districts and the state's 12 CESAs under the program categories described here.

AODA Prevention Program grants provide funding for the development and expansion of district-wide, comprehensive, kindergarten through grade 12, AODA prevention curricula, as well as K-12 prevention and early intervention programming as part of a coordinated school health program.

Alcohol and Other Drug Abuse Prevention Program Grants Amounts

The tables below summarize the maximum grant award amounts by enrollment category, as well as the number of grant awards and total amount awarded, in the 2022-23 and 2023-24 grant cycles.

Table 1. Enrollment Categories and Maximum Grant Award
(2022-23 and 2023-24 years)⁵⁴

Category	K-12 Enrollment	Maximum Annual Award
MPS*	80,000+	\$45,000
A	3,000-79,999	\$25,000
B	2,999 or under	\$15,000
Consortium	\$4,000/member up to \$25,000/consortium	

* Milwaukee Public Schools

Table 2. Projects and Total Award (2022-23 school year)

Enrollment Category	Number of Projects	Total Awards
MPS	1	\$45,000
A	20	\$460,946
B	22	\$333,960
Consortia	5	\$69,000
Total	48	\$908,906

Table 3. Projects and Total Awards (2023-24 school year)

Enrollment Category	Number of Projects	Total Funds
MPS	1	\$45,000
A	19	\$468,554
B	22	\$312,424
Consortia	4	\$82,000
Total	48	\$907,978

Student Mini Grants

Student mini grants are available to student groups for up to \$1,000 per group and help young people develop leadership skills while positively impacting their peers on various issues, such as vaping, AODA use, bullying, conflict resolution, and suicide prevention.

⁵⁴ 2022-24 Report on Alcohol and Other Drug Abuse Grant Distribution, Training and Education Programs, Submitted by DPI on June, 30,2024

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Information about grant applications and awards for the 2022-23 and 2023-24 grant cycles is summarized below.

2022-23 Grant Cycle

- Amount Requested: \$72,150
- Amount Recommended for Funding: \$57,850
- Number of Applications: There were 73 applications submitted for the 2022-23 competition. Seventy-one are recommended for funding. For comparison in the 2021-22 school year, there were 64 applicants of which 61 were funded.

2023-24 Grant Cycle

- Amount Requested: \$67,174
- Amount Recommended for Funding: \$57,440
- Number of Applications: There were 68 applications submitted for the 2023-24 competition, of which 58 are recommended for funding.

In addition to awarding grants, the department provides training and technical assistance to support professional development for public and private school staff, via department-planned and sponsored events, activities co-sponsored by the department, including state and regional conferences and workshops, production of web-based training and resources, and Educator Fellowships Awards.

Youth Risk Behavior Survey

The department administers a statewide high school survey provided by the Center for Disease Control (CDC) every other year to measure student perceptions, called the Youth Risk Behavior Survey (YRBS). This paper relies on findings from the 2023 Wisconsin YRBS.⁵⁵ Data points from the 2023 WI YRBS reported the following:

- 11.2 percent of students took prescription pain medicine without a doctor's prescription or differently than how a doctor told them to use it.
- 27.9 percent of youth reported having tried marijuana (at least once in their life). This has been decreasing for the last 20 years when it was 38 percent in 2003. Whereas 16 percent report that they currently use it (once or more in the last 30 days). This is also a decrease in the last 20 years (from 22 percent in 2003). Black female students had the highest rate for both current use (31.7 percent) and having tried marijuana (61.3 percent).

⁵⁵ Wisconsin Department of Public Instruction. 2024. "2023 Wisconsin Youth Risk Behavior Survey Summary Report." <https://dpi.wi.gov/sspw/yrbs>

- 34.4 percent of students have vaped and 37.2 percent of students have used tobacco products.
- 51.9 percent of students drank alcohol with 26.2 percent of students reporting that they drank within the past 30 days.⁵⁶
- 2.0 percent of students reported having used methamphetamines (2.1 percent) or heroin (1.9 percent). While 3.8 percent of students reported having used any illegal drug besides marijuana within the past 12 months.
- 13.8 percent of students reported they were offered, sold, or given drugs on school property during the past year.
- The percentage of students who reporting attending school under the influence of drugs or alcohol in the past 12 months was 11.4 percent.

US Overdose Mortality Rate

Teen overdose deaths have soared, even though drug use has not. The lethality of the illicit drug supply appears to have driven an exponential rise in the overdose death rate among U.S. teens amid the COVID-19 pandemic – an increase that has come without a parallel surge in drug use itself.⁵⁷

The overdose mortality rate among U.S. adolescents 14 to 18 years old rose by 94% between 2019 and 2020, from 2.36 deaths per 100,000 population to 4.57 per 100,000, according to the findings of an analysis recently published in the Journal of the American Medical Association.⁵⁸

Fentanyl overdose deaths tripled among teens—and surged five-fold among Black teens, according to 2022 data from the Centers for Disease Control and Prevention.⁵⁹

⁵⁶ Wisconsin Department of Public Instruction. 2024 [Summary Report: 2023 Wisconsin Youth Risk Behavior Survey](#) page 26.

⁵⁷ Teen Overdose Deaths Have Soared, Even Though Drug Use Hasn't., U.S News and World Report, by Steven Ross Johnson, April 12, 2022. <https://www.usnews.com/news/health-news/articles/2022-04-12/teen-overdose-deaths-have-soared-but-drug-use-hasnt>.

⁵⁸ Journal of American Medical Association (JAMA) AMA Research Letter: Trends in Drug Overdose Deaths Among US Adolescents, January 2010 to June 2021. Joseph Friedman, MPH¹; Morgan Godvin, BA²; Chelsea L. Shover, PhD³; et al: Trends in Drug Overdose Deaths Among US Adolescents, January 2010 to June 2021 | Emergency Medicine | JAMA | JAMA Network.

⁵⁹ Teenage fentanyl deaths are soaring, and Black teens are hit hardest, Harvard T.H. Chan Public School of Health 2022. <https://www.hsph.harvard.edu/news/hsph-in-the-news/fentanyl-deaths-on-the-rise-among-teens-especially-black-teens/>.

Proposal

To address the growing need for AODA prevention resources, the department is seeking increased funding to support school districts in utilizing their staff and program resources to develop comprehensive AODA programs, encompassing both prevention and intervention services.

The department requests an increase of \$233,900 PR-S in FY26 and \$233,900 PR-S in FY27, for providing aid for school AODA prevention programs under the existing grant program administered by the department. The proposed increases would bring the annual appropriation back up to \$1,518,600 annually, which represents funding level as of FY09, prior to the across-the-board budget cuts sustained by state agencies in the 2009-11 and 2011-13 biennial budgets (see Appendix A for funding history).

The department also requests an increase of \$4,520,000 GPR beginning in FY27 to restore funding for the state-funded program that existed under prior law for grants for alcohol and other drug abuse prevention programs. The department proposes that the appropriation be created as a continuing appropriation. This would provide needed increases in financial support to school districts to implement or expand existing alcohol and other drug prevention programs. For example, with increased resources, districts could fund the salary of a position at the district level to coordinate and implement AODA prevention programming. Under this proposal, the department would award grants in varying amounts based on school district size and on the quality of the applications.

Statutory Language

The department is proposing statutory language related to this request.

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Appendix

Appropriations History for AODA Programs FY08 to FY23

APN	PGM	ALPHA	AGENCY AND PURPOSE	SOURCE	TYPE	2007-09 BIENNium		2009-11 BIENNium		2011-13 BIENNium		2013-15 BIENNium	
						FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
						2007 Act 20	2007 Act 20	2009 Act 28	2009 Act 28	2011 Act 32	2011 Act 32	2013 Act 20	2013 Act 20
133	1	(kd)	Alcohol and other drug abuse program	PR-S	A	\$ 647,300	\$ 647,300	\$ 668,200	\$ 658,200	\$ 599,800	\$ 599,800	\$ 591,800	\$ 591,800
228	2	(kd)	Aid for alcohol and other drug abuse programs	PR-S	A	\$ 1,518,600	\$ 1,518,600	\$ 1,427,500	\$ 1,427,500	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700
278	2	(dm)	Grants for alcohol and other drug programs	GPR	A	\$ 4,520,000	\$ 4,520,000	\$ 4,361,800	\$ 4,361,800	\$ -	\$ -	\$ -	\$ -
Total PR-S appropriations (from DOJ)						\$ 2,165,900	\$ 2,165,900	\$ 2,095,700	\$ 2,085,700	\$ 1,884,500	\$ 1,884,500	\$ 1,876,500	\$ 1,876,500
						3.3%	0.0%	-3.2%	-0.5%	-9.6%	0.0%	-0.4%	0.0%
Total PR-S Aid and GPR Grant appropriations						\$ 6,038,600	\$ 6,038,600	\$ 5,789,300	\$ 5,789,300	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700
						0.0%	0.0%	-4.1%	0.0%	-77.8%	0.0%	0.0%	0.0%
APN	PGM	ALPHA	AGENCY AND PURPOSE	SOURCE	TYPE	2015-17 BIENNium		2017-19 BIENNium		2019-21 BIENNium		2021-23 BIENNium	
						FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
133	1	(kd)	Alcohol and other drug abuse program	PR-S	A	\$ 609,500	\$ 609,500	\$ 600,200	\$ 600,200	\$ 618,900	\$ 618,900	\$ 628,500	\$ 628,500
228	2	(kd)	Aid for alcohol and other drug abuse programs	PR-S	A	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700
278	2	(dm)	Grants for alcohol and other drug programs	GPR	A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total PR-S appropriations (from DOJ)						\$ 1,894,200	\$ 1,894,200	\$ 1,884,900	\$ 1,884,900	\$ 1,903,600	\$ 1,903,600	\$ 1,913,200	\$ 1,913,200
						0.9%	0.0%	-0.5%	0.0%	1.0%	0.0%	0.5%	0.0%
Total PR-S Aid and GPR Grant appropriations						\$ 1,284,700	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700	\$ 1,284,700
						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

¹The report refers to 372 school districts. WISEdata indicates that 356 school districts and 17 independent charter schools reported at least one EL student, a total of 373 LEAs. The variance compared to the 2023 report (1 LEA) likely is due to the timing of the data pull.

Physical Health & Wellness

DECISION ITEM 6045 – ACCESS TO PERIOD PRODUCTS IN SCHOOLS

253 – Aid for period products

s. 20.255 (2)(dv)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$500,000	\$500,000
Less Base	\$0	\$0
Requested Change	\$500,000	\$500,000

Request

The department proposes that all school districts and independent charter schools (collectively, local educational agencies, or LEAs) be required to provide access to feminine hygiene products to any student who needs them, at no charge to the student.

The department requests increases of \$500,000 GPR in FY26 and \$500,000 GPR in FY27 in a new, annual appropriation, to be distributed as aid to LEAs with the highest concentrations of economically disadvantaged students to reduce the financial burden on LEAs associated with purchasing feminine hygiene products.

Background

In 2013, a national initiative called “Free the Tampons,” was launched by digital marketing pioneer Nancy Kramer, to campaign for all public women’s restrooms to offer free sanitary products.⁶⁰ According to Free the Tampons Foundation, five states to date have passed legislation requiring schools to provide free menstrual products to students: California, New York, Illinois, New Hampshire, and Virginia.

Toilet paper, paper towels, and soap are considered a basic necessity and are provided in all school bathrooms. Feminine hygiene products such as tampons and pads are necessary for fundamental healthcare and hygiene and should also be made available in schools.⁶¹

⁶⁰ Freethetampons.org, the website of Free the Tampons Foundation, [Free The Tampons: The Movement for Freely-Accessible Menstrual Products](https://www.freethetampons.org/)

⁶¹ Free The Tampons Foundation, a non-profit organization, [Free The Tampons: The Movement for Freely-Accessible Menstrual Products](https://www.freethetampons.org/)

Negative Impacts of Period Poverty

Families living in poverty may find it difficult to pay for the basic sanitary products for proper hygiene. The average individual cost of period products will vary from person to person, depending on personal need and access to discounted product. According to a 2023 study commissioned by Thinx, Inc. & Perod, while 53 percent of teens report rarely or never having access to free period products, it found 89 percent of teens believe that if toilet paper is provided for free in school restrooms, period products should also be provided for free. That same study found that one in four teens report struggling to afford menstrual products.⁶²

Approximately 44% of teens in that study reported stress and embarrassment due to a lack of period products, contributing to anxiety and other mental health challenges. Furthermore, total of 25% of teens reported being unable to do schoolwork due to a lack of access to period products.⁶³

According to Free the Tampons Foundation, female students may stay home from school during the time of their menses due to the unavailability (due to cost) of feminine hygiene products both at home and at school. Lack of access to feminine hygiene products while at school may cause female students to use other bathroom or clothing items—toilet paper/paper towels, for containing their menses, which may cause a risk of infection to others if not handled appropriately.⁶⁴

Womens Health published a study conducted between 2018 and 2020 that found teens experiencing period product insecurity frequently missed multiple days of school each month due to their inability to afford period products. Furthermore that study reported some teens experiencing period product insecurity may miss up to one-fifth of a school year. This means that lack of access to period products contributes to chronic absenteeism.⁶⁵

Lack of access to feminine hygiene products while at school may cause some female students to go for extended periods of time without changing their used product, which could cause an increased risk of infection.

⁶² Report, State of the Period 2023, commissioned by Thinx, Inc. & PERIOD <https://period.org/uploads/SOTP-2023.pdf>. Accessed September 22, 2024

⁶³ Report, State of the Period 2023, commissioned by Thinx, Inc. & PERIOD <https://period.org/uploads/SOTP-2023.pdf>. Accessed September 22, 2024

⁶⁴ Freethetampons.org, the website of Free the Tampons Foundation, [Free The Tampons: The Movement for Freely-Accessible Menstrual Products](#)

⁶⁵ [Breaking the period product insecurity cycle: An observational study of outcomes experienced by recipients of free period products in the United States](#), Women's Health, Volume 20, Kelley EC Massengale, Kelsey M Bowman, Lynn H Comer, Susan Van Ness, 2024

Proposal

The department proposes that public schools, including independent charter schools, be required to provide period products to any student who requires them while at school, at no cost to the student. The department's proposal does not prescribe the manner in which schools provide access to period products (e.g., could be stocked in bathrooms, a nurses office, student pantry, etc.). This request will address hygiene equality by ensuring that any student who needs feminine hygiene products while at school will be able to access them at no cost.

The department requests state funding in a new appropriation from which the department would provide aid to LEAs to offset the costs of purchasing period products to be made available for students. Under the department's proposal, the aid would be distributed to LEAs with the highest concentrations of economically disadvantaged (ED) students, based on prior year data collected from LEAs and available WISEdash, the department's student data online portal.

Specifically, an LEA would be eligible for this new state aid if the LEA's rate of ED students is greater than the statewide average rate of ED students (based on prior year data). Each eligible LEA would then receive aid based on its share of ED students in eligible LEAs. Additionally, a small LEA guarantee would provide a minimum aid award of \$100. Some very small LEAs would be eligible for aid based their rate of economically disadvantaged students, but the LEA may have a very small number of students (fewer than 10) who would potentially need access to period products while in school.

What Would the State Aid Buy?

Under this proposal, state aid would be distributed based on the eligible LEAs' share of ED students. The appropriation would be divided by the number of ED students in eligible LEAs; each LEAs aid award would be equal to the number of ED students multiplied by that per pupil figure.

The department's proposal is intended to provide a benefit to students who need it. Based on a review of products available for purchase in bulk, the department estimates that the average cost per unit could range from \$0.11 (pad) and \$0.19 (tampon). Accessing period products at school will vary depending on each student's individual circumstances. However, based on multiple scenarios for how many units of product would be used by students in a school year, the department estimates the cost for a given student could range from as low as \$2 (very low use, cheaper products) to as much as \$28 (high use, most expensive products) per school year, with a median cost estimate of approximately \$13 per school year. These estimates were based on per unit prices assuming bulk purchase. Schools that are not able to access volume-discount pricing (or that have higher delivery costs due to remote location) could incur higher costs.

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The department's proposal uses the proportionate share of ED students in eligible LEAs as a proxy for determining potential need for financial assistance to LEAs, to offset the costs of procuring period products for students. That said, it is possible to quantify the benefit of the proposed aid, by estimating the number of students who might need access to free period products. The department used the following methodology (based on 2023-24 enrollment data) for this analysis:

- Determine the number of ED students in eligible LEAs (233,357 ED students in 201 LEAs with ED rate greater than 42.28 percent).
- As a proxy for the number of students likely to menstruate at some point while they are attending school, multiply the number of ED students in eligible schools by the statewide proportion of students in grades 6-12 (53.4 percent = 125,614) and assume half of those students will at some point menstruate (50 percent = 62,307).
- Finally, assume that roughly two-thirds of this population could require access to free period products while in school at least some of the time (37,393).

Based on and the eligibility criteria proposed by the department and using 2023-24 enrollment data, 201 LEAs would meet the eligibility criteria for this aid; based on the methodology described above, approximately 37,400 students could benefit from having access to free period products at schools. An annual appropriation of \$500,000 would provide eligible schools with \$13.37 for each student to offset the costs of purchasing the period products.

The larger policy goal of this proposal is to ensure that lack of access to period products does not create barriers for students to participate fully in school. Requiring schools to provide access to free period products is an obvious way to reduce the financial burden on students and families, and the department's request to create an aid program for LEAs with the highest concentrations of ED students is a means of reducing the financial burden on LEAs.

In summary, the department requests an increase of \$500,000 GPR in FY26 and \$500,000 GPR in FY27 in a new, annual appropriation, to be distributed as aid to schools with the highest concentrations of economically disadvantaged students. The aid is intended to offset the costs to schools of purchasing feminine hygiene products and would be allocated to eligible LEAs based on the formula proposed in this paper.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6046 – GRANTS FOR OUT-OF-SCHOOL TIME PROGRAMS

252 – Grants for out-of-school time programs

s. 20.255 (2)(do)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$20,000,000
Less Base	\$0	\$0
Requested Change	\$0	\$20,000,000

Request

The department requests \$20,000,000 GPR in FY27 for a new, continuing appropriation, for a grant program to support the expansion of out-of-school time programs offered through local educational agencies and community-based organizations providing out-of-school time programming for school-aged children and youth.

Background

The department uses the term out-of school time (OST) instead of afterschool because OST is more encompassing; in addition to time after the school day concludes, it includes time before school and during periods when schools are not in session. According to the Afterschool Alliance, decades of research show that OST programs help kids learn, grow, and avoid risky behaviors. OST programs also provide a solid return on investment. Research shows that every one dollar invested in OST programs saves at least three dollars by increasing kids’ learning potential, improving kids’ performance at school, and reducing crime and juvenile delinquency.⁶⁶

Regular participation in afterschool programs can help narrow the achievement gap between high-and low-income students in math, improve academic and behavioral outcomes, and reduce school absences.⁶⁷ According to the Afterschool Alliance, attending OST programs is associated with academic improvements, including the following:⁶⁸

⁶⁶ Afterschool Alliance, 21st Century Community Learning Centers: Inspiring Learning> Supporting Families. Earning Results. March 2020. Afterschool Alliance estimate based on findings from state-level return on investment studies conducted in states that include California, Georgia, Maryland, Oklahoma, and Vermont.

⁶⁷ Pierce, K. M., Auger, A. & Vandell, D. L. (2013). Narrowing the Achievement Gap: Consistency and intensity of structured activities during elementary school. Unpublished paper presented at the Society for Research in Child Development Biennial Meeting, Seattle WA.

⁶⁸ Afterschool Alliance, 21st Century Community Learning Centers: Inspiring Learning> Supporting Families. Earning Results. March 2020.

- roughly 50 percent improve their math and reading grades
- nearly 60 percent improve their behavior in class
- around 65 percent improve their homework completion and class participation

An evaluation of high-quality OST programs found that regular participation in high-quality OST programs by low-income youth resulted in significant gains in math test scores and work habits and reductions in behavioral problems. The Study of Promising Afterschool Programs, a study of about 3,000 low-income, ethnically-diverse elementary and middle school students, found that those who regularly attended high-quality programs over two years demonstrated gains of up to 20 percentiles and 12 percentiles, respectively, in standardized math test scores, compared to their peers who were routinely unsupervised during OST hours.⁶⁹

21st Century Community Learning Centers

The only dedicated source of support for local community OST programs comes from the 21st Century Community Learning Center (21st CCLC) federal grant, governed by Title IV, Part B, of the Every Student Succeeds Act (ESSA). The purpose of the 21st CCLC program is to create community learning centers that provide students with academic enrichment opportunities, as well as additional activities designed to complement their regular academic program. Community learning centers must also offer literacy and related educational development to the adult family members of students served by the program.

The community learning centers can be located in elementary or secondary schools, or other similarly accessible facilities; they provide a range of high-quality services to support student learning and development, including tutoring and mentoring, homework help, academic enrichment (such as hands-on science or technology programs), career skill development, community service opportunities, as well as music, arts, sports, and cultural activities. At the same time, centers help working parents by providing a safe environment for students when school is not in session.

The 21st CCLC funds support centers that target students from schools that have at least 40 percent of their students identified as economically disadvantaged, as well as students that demonstrate significant academic need, have been involved in at-risk behaviors, and/or lack access to opportunities to engage in diverse activities in their communities.

⁶⁹ Outcomes Linked to High-Quality Afterschool Programs: Longitudinal Findings from the Study of Promising Afterschool Programs at: <https://files.eric.ed.gov/fulltext/ED499113.pdf>, (2007)

OST Programs in Wisconsin

Currently in Wisconsin, these OST programs are funded through a mix of federal 21st CCLC startup grants, local funds, and philanthropic dollars, as well as Wisconsin Shares (the public child care subsidy program) for programs that are structured as child care centers. However, the amount of available federal funding and philanthropic dollars is inadequate to support programming in many places throughout the state, leaving a substantial amount of unmet need.

During 2022-23, the department awarded slightly over \$17 million in federal 21st CCLC funds to 148 sites across the state to improve student achievement, attendance and behavior by providing enriching activities for youth during non-school hours. This funding served 433 schools and nearly 19,000 students across the state, with the average site serving 126 students. The average daily attendance across sites was 53 students per day. Both the average students served, and the average daily attendance were higher in 2022-23 than in the previous year, continuing a trend since 2020-21.

On average, students spent about 21 hours a week at a 21st CCLC-funded program, receiving education in arts and music, drug and violence prevention, financial literacy, credit recovery, apprenticeships, environmental literacy, science, technology, engineering, and mathematics (STEM), in addition to tutoring services. The 21st CCLC sites also offer adult family members activities that promote engagement in their children's education.

Grants are made to awardees for five consecutive years, contingent on satisfactory progress toward achieving goals. Applicants for this grant funding must be Title I eligible, demonstrate how they will target students in need of academic support, and must be determined as needing additional intervention and support.

The majority (77 percent) of 21st CCLC funding in Wisconsin is used at the elementary school level, in part due to increased demand for OST programming for younger students, but also because middle and high school programs have difficulty meeting the 40 percent FRL threshold for 21st CCLC eligibility (FRL is the major source of data for determining students' status as economically disadvantaged). However, data suggests that middle and high school students that participate in OST demonstrate higher rates of academic success, regular school attendance, reduced frequency of substance use, and more.⁷⁰ Studies suggest that these benefits are sustained well past high school graduation and into post secondary success and adulthood.⁷¹

⁷⁰ Evaluating Afterschool: The Latest Research on the Impact of Afterschool and Summer Programs, The Afterschool Alliance, September 2024. <https://afterschoolalliance.org/documents/The-Latest-Research-on-the-Impact-of-Afterschool-and-Summer-Programs-2024.pdf>

⁷¹ S. D., Vandell, D. L., & Lui, Y. (2023). Participation and enjoyment of organized activities during adolescence as predictors of activities in adulthood. *Journal of Research in Adolescence*. <https://doi.org/10.1111/jora.12838>

Support for OST Programs in Other States

According to a 2024 National Conference of State Legislatures (NCSL), states continue to address the evolving needs of students and families, placing a specific emphasis on providing engaging learning experiences beyond the regular school day. In addition to out-of-school learning programs helping kids catch up and excel, afterschool and summer learning programs have emerged as vital components to bridge the achievement gap and expand access to educational opportunities.⁷²

Among the key trends of the 2023-2024 legislative period were increased funding for afterschool and summer initiatives, a heightened focus on learning recovery, collaboration with community-based organizations, efforts to measure program effectiveness, keeping students safe and supported, and support for flexible learning models. The NCSL also noted that the creation of [afterschool networks](#) in all 50 states has played a pivotal role in fostering collaboration among stakeholders involved in out-of-school time initiatives. Afterschool networks often serve as intermediaries connecting schools, community organizations and policymakers to enhance the overall quality of afterschool programs.

According to the After School Alliance, state-level funding for afterschool and summer learning programs has increased 20-fold since 2000, with 26 states now collectively providing more than \$5 billion in funding for local programs in 2024. State funding for afterschool and summer increased \$367 million in 2024 over 2023 with several new states funding OST for the first time including Missouri, Pennsylvania, and Virginia with Oregon and Hawaii funding summer learning for the first time.⁷³

Proposal

To address the significant unmet need for OST programming, the department is requesting \$20,000,000 GPR, beginning in FY27, to create a state-funded program to provide ongoing support to OST programs. The department proposes to make this grant available to community based organizations that provide OST programming for school age children and youth, as well as to school districts and independent charter schools (collectively, local educational agencies, or LEAs). The department requests that the OST program be funded with a continuing appropriation, as nascent OST programs often have carryover in the initial years of the program.

⁷² NCSL, Beyond the Bell: Out-of-School Learning Programs Can Help Kids Catch Up and Excel. By Autumn Rivera, February 12, 2024. <https://www.ncsl.org/state-legislatures-news/details/beyond-the-bell-out-of-school-learning-programs-can-help-kids-catch-up-and-excel>

⁷³ Erik Peterson, Afterschool Snack Blog, Increased state-level funding for afterschool and summer programs helps students succeed. August 20, 2024. http://www.afterschoolalliance.org/afterschoolsnack/Increased-state-level-funding-for-afterschool-and-summer_08-20-2024.cfm

One emphasis of the program would be to create OST programs that support middle and high school students that expand college and career development, provide mental health supports, and engaged learning opportunities, while providing flexibility for establishing eligibility criteria, particularly with respect to the economic status of middle and high school students served (i.e., criteria other than free and reduced-price lunch eligibility).

However, the department recognizes there is still need at the elementary grade levels for additional OST programming and therefore intends to reserve funding each year for OST programs that serve elementary school students. The department would structure the program to award a range of funding per recipient, based on the number of students served and potentially other factors; each recipient would receive the annual grant award for five years, to align with the federal 21st CCLC grants. Providing grants on a cycle of less than five years would significantly increase the workload for program staff and diminish the benefits obtainable by grantees. Principally, both the department and applicants would need to devote to the application process precious resources that would be far better spent directly on students.

The funding model for elementary school OST programs would mirror the tiered funding model used for the 21st CCLC, where applicants are eligible to apply for funding based on the amount needed to operate the proposed program and must serve the projected minimum average daily attendance (ADA) associated with the selected funding tier. Due to the need for flexibility in upper grades, an ADA model is not recommended for middle and high school sites.

The department would conduct a robust data collection as part of the OST grant program, gathering information from program sites to track progress toward achieving desired outcomes. The department has identified six goals for the proposed OST grant program:

1. Program participants will report a sense of connection to school and their place in it.
2. Program participants will demonstrate improved academic outcomes, including homework completion, grades, and study behaviors.
3. Program participants will graduate college- and career-ready.
4. Program participants will have access to a safe and welcoming environment during out-of-school time hours and will report lower rates of participation in risky behaviors.
5. Program participants will exhibit improved social and emotional skills and have opportunities to demonstrate leadership.
6. Program participants will have access to experiences and opportunities that contribute to the whole child's development, such as civic engagement and community service.

The OST grant program will also have two overarching goals at the state level. First, the program will enhance collaboration and reinforce state-level connections and horizontal alignment between teams at the department. These teams include Student Services Prevention/Wellness (SSPW), Career and Technical Education (CTE), Wisconsin Child Nutrition Programs, Wisconsin Educational Opportunity Programs (WEOP), and Teaching and Learning. These diverse teams will leverage their communal expertise to provide technical assistance, guidance, and professional development for OST program staff across the state.

Second, the program will foster collaboration and solidify vertical alignment with external stakeholders and key partners in the OST field, such as the Wisconsin Out of School Time Alliance (WOSTA), community-based organizations, and other state agencies. Partners will rely on technical proficiency and resources to inform OST policies, supports, and resources for programs. They will likewise provide insight into professional development and funding needs.

In summary, the department requests \$20,000,000 GPR in FY27 for a new, continuing appropriation, for a grant program to support the expansion of out-of-school time programs offered through local educational agencies and community-based organizations providing out-of-school time programming for school-aged children and youth.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6047 – SAFE DRINKING WATER IN SCHOOLS

254 – Grants for water filling stations and filtration systems

s. 20.255 (2)(dw)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$2,500,000
Less Base	\$0	\$0
Requested Change	\$0	\$2,500,000

Request

The department requests an increase of \$2,500,000 GPR in FY27, in a new, annual appropriation, to provide grants to school districts and independent charter schools (ICS) to purchase water bottle filling equipment that includes a water filtration component.

Background

Lead in Drinking Water

According to a [2016 Report on Childhood Lead Poisoning in Wisconsin](#) released by the WI Department of Health Services (DHS) lead poisoning is a statewide risk with lead-poisoned children identified in every county of Wisconsin. That DHS report stated that there is no safe level of lead in the human body, even low levels of lead exposure can cause permanent brain damage and negatively affect learning, behavior and health throughout a child's life.⁷⁴

Lead is commonly found in school drinking water across the country, due to most plumbing materials containing lead that leeches into drinking water. On weekends and seasonal breaks, water is stagnant in school plumbing systems, which reduces the effectiveness of corrosion control chemicals meant to reduce lead leeching into the water. Testing drinking water point sources in schools is costly and if tests detect lead, they only confirm the lead source without preventing or reducing the exposure.⁷⁵

⁷⁴ 2016 Report on Childhood Lead Poisoning in Wisconsin, WI Department of Health Services, Bureau of Environmental and Occupational Health, P-01202-16, (October 2017). [2016 Report on Childhood Lead Poisoning in Wisconsin](#)

⁷⁵ Filter First! Ensuring Safe and Lead-Free Drinking Water in Schools with Filtered Drinking Water Stations, The Ecology Center, Ann Arbor, MI, 2024, [Filter First! Ensuring Safe and Lead-Free Drinking Water in Schools with Filtered Drinking Water Stations | Ecology Center](#)

Filtered drinking water stations are drinking water fountains and bottle filling stations with certified filters that reduce aesthetic impurities and remove dangerous lead particulates. These systems can replace old drinking fountains, be retrofitted for existing fountains, or be installed independently.

Benefits of Water Bottle Filling Stations for Schools (with Filtration Component)⁷⁶

A key benefit of filtered water bottle filling stations for schools is their ability to provide safe drinking water. The majority of these stations use high performance filters that remove common contaminants such as chlorine and lead. There are other ancillary benefits to providing access to water filling stations in schools:

- Promoting Hydration Throughout the Day: Water bottle filling stations offer a convenient way for students to stay hydrated without disrupting their daily routines. Easily accessible stations in hallways, common areas, and near classrooms encourage regular water intake.⁷⁷
- Eliminating Barriers: Traditional water fountains may pose challenges for students with mobility issues or for younger children. Water bottle filling stations eliminate these barriers, providing a user-friendly solution for all students.
- Reducing Single-Use Plastic Waste: Water bottle filling stations support environmental sustainability by encouraging the use of reusable bottles. This reduces the demand for single-use plastic bottles, contributing to a decrease in plastic waste generated by schools.
- Cost-Effectiveness: Water bottle filling stations are designed for durability and require less maintenance than traditional fountains. The initial investment is offset by reduced maintenance costs over time.

Support for Filtered Water Filling Stations in Other States

According to the Education Commission of the States (ECS) the following states offer grant programs for waterbottle filling stations and/or require water bottle-filling stations in new school buildings.⁷⁸

⁷⁶ Ian Zoundi, 5 Reasons Your School Needs a Water Bottle Filling Station, Health & Hydration, Sept. 25, 2017: <https://becausewater.com/5-reasons-school-needs-water-bottle-filling-station/>

⁷⁷ Washington 211, *Hydration Haven: The Benefits of Water Bottle Filling Stations for Schools*, January 4, 2024: <http://washtenaw211.org/water-bottle-filling-stations-for-schools/>

⁷⁸ Education Commission of the States, Lauren Bloomquist, November 4, 2024, Response prepared for the WI Dept of Public Instruction, November 4, 2024.

States With Grant Programs for Water Filling Stations

California established the [Drinking Water for Schools](#) grant program in 2016 to help schools improve access to safe drinking water in public schools located in disadvantaged communities (DAC). One of the [eligible](#) project types is the installation or replacement of a water bottle-filling station. The program [guidelines](#) provide information on the types of schools that may receive grant funds, eligible project types, and the definition of a DAC. A third round of funding for \$5 million was secured in the state's 2022 appropriation bill.

Colorado enacted the [Test and Fix Water for Kids](#) program in 2022. The program requires each childcare center, family child care home, and school that serves any grades from preschool through eighth in the state to test their drinking water sources for lead and to remediate any issues. The state will reimburse child care providers and schools for costs of remediating problems with drinking water if lead levels are at or above five parts per billion. Bottle-filling stations are included as a reimbursable expense in the program.

Massachusetts offers lead testing and remediation through the School Water Improvement Grants ([SWIG](#)) program administered through the Massachusetts Clean Water Trust and the Massachusetts Department of Environmental Protection. The program incentivizes public and private schools, early education facilities and non-residential daycare facilities to test their drinking water and remediate detectable lead exceedances, by providing grants to install filtered water bottle-filling stations. (See this [guide](#) for information on eligible participants, eligibility requirements, and eligible uses of grant funds, which includes water bottle-filling stations).

Michigan's grant program is called [Filter First-Healthy Hydration](#) and is jointly administered by the state's Department of Environment, Great Lakes and Energy, and the Department of Education. The program's goal is to reduce childhood exposure to lead in drinking water at schools and licensed childcare centers by requiring the installation, maintenance, and testing of certified filters to reduce lead at the point of water consumption. This program was established in 2023 establishes and allows the Department of Environment, Great Lakes, and Energy to use funds for:

- One-time acquisition and installation of filtered bottle-filling stations and faucets
- Maintenance of filtered bottle-filling stations and filtered faucets
- Replacement of filter cartridges
- Costs associated with water sampling and testing

Finally, Ohio's Environmental Protection Agency has a [grant program](#) for schools to purchase water bottle-filling stations as part of the department's recycling and litter prevention program. Schools may be awarded up to \$5,000, and school districts may be awarded up to \$10,000 to cover the costs of equipment to install or retrofit water fountains with water filling stations.

State Policies for New School Building Requirements

While the department is not proposing mandatory installation of filtered water filling stations in schools, some states have enacted legislation to that effect:

California enacted [legislation](#) in 2022 that requires a minimum of one water-filling station for school modernization projects. It also requires one filling station per 350 students for new construction projects. The law outlines where filling stations must be placed in hallways, gymnasiums, school food service areas, outdoor recreation areas and faculty lounges. It also specifies requirements for the water bottle-filling stations.

Louisiana enacted [legislation](#) in 2021 that requires new school buildings and buildings undergoing major renovations to provide water bottle-filling stations. The requirements require at least one filling station: 1) per two hundred people expected to occupy the school building, 2) on each floor of the school building, and 3) located near all cafeterias, gymnasiums, outdoor recreation spaces, and other high-traffic areas.

Cost Estimates

According to Michigan's Filter First Program the filtered hydration station units can cost anywhere from \$600 to \$3,000, with installation; ancillary costs (e.g., removal fees) range from hundreds to thousands of dollars, depending on the size and scope of the project. After installation, schools also need a budget for maintenance costs, including replacement filters.

Proposal

The department requests an increase of \$2,500,000 GPR in FY27, to provide grants to school districts and ICS to purchase and install water bottle filling equipment that includes a water filtration component. The department would use existing administrative rule [PI 38](#) (State Grant Programs) to establish parameters of the proposed grant program.

Statutory Language

The department is proposing statutory language related to this request.

Healthy Meals for All

DECISION ITEM 6050 – SUPPLEMENTAL NUTRITION AID

247 – Supplemental nutrition aid

s. 20.255 (2)(ck)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$146,256,000	\$147,720,000
Less Base	\$0	\$0
Requested Change	\$146,256,000	\$147,720,000

Request

The department requests an increase of \$146,256,000 GPR in FY26 and \$147,720,000 GPR in FY27 in a new, sum sufficient appropriation, to provide supplemental aid payments to schools participating in the national school lunch and breakfast programs⁷⁹. Schools receiving the supplemental aid payments would be required to eliminate fees charged to any student for meals served in schools under the national school lunch/breakfast programs.

Under the new aid program, the department would pay school food authorities (SFAs) for the difference between the federal per-meal reimbursement received by the SFA for a student who qualifies for a free meal and the federal per-meal reimbursement rate received by the SFA for a student that qualifies for a reduced-price meal or who pays full-price for a meal. SFAs include school districts, independent charter schools, private schools, and other educational entities that participate in the federally-funded National School Lunch Program (NSLP) and the national School Breakfast Program (SBP).

Background

School districts, private schools, tribal schools, independent charter schools, and residential schools are eligible to receive reimbursements to offset the costs of providing

⁷⁹ At the time the department developed this proposal, the cost estimate was based on the federal payments for school meals served during the 2023-24 school year. The difference between the federal payment for meals served to students who qualify for reduced price or full price meals, compared to the payment for students who qualify for a free meal, is referred to as the differential. The department’s cost projection for this proposal was based on the differential amounts in place for the 2023-24 school year. However, the differential for meals served during the 2024-25 school year increased. As a result, the projected cost for the department’s proposal would increase, by \$6,012,700 for FY26 and by \$6,072,900 for FY27.

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nutritious meals and snacks to school-age children under various federal and state nutritional support programs, primarily serving children who meet income eligibility criteria for a free or reduced-price lunch (FRL) under the federal school lunch program. The United States Department of Agriculture (USDA) administers several federally-funded aid programs that support nutrition programs in public and private schools for students during regular school time, after-school and out-of-school time, and summer, as well as to support nutrition programs for individuals in adult care settings and children in childcare or pre-school settings.

Generally, under the USDA federal grant programs, the reimbursement rate for each meal differs depending on a student’s economic status, as determined by eligibility for a free or reduced-price meal (i.e., FRL status). Exceptions include schools and school districts that participate in the Community Eligibility Provision (CEP), under which all students are eligible for meals at no cost to the family.

The number of SFAs participating in the CEP has increased in a fairly stable manner, from 80 in the first school year (2014-15) to 115 in the 2020-21 school year; the number of individual schools participating in CEP grew from 347 to 487 during that same time frame. For the 2024-25 school year, 659 individual schools participate in the CEP.

State-Funded School Nutrition Programs

The state also provides funding to support school nutrition programs in three GPR appropriations for programs administered by the department.

Table 1. State-Funded School Nutrition Aid Programs, K-12 Schools, and Elderly Nutrition Improvement Programs

<u>State Program</u>	<u>FY25 Appropriation</u>	<u>Program Rules</u>	<u>Who is Served</u>
Aids for School Lunches and Nutritional Improvement	\$4,218,100	Payments are determined by allocating the state's matching obligation amount based on the number of school lunches served to children in each FSA in the prior year.	1) <i>School lunch</i> : school districts, ICS, private, tribal schools, and the residential schools. 2) <i>Elderly nutritional improvement programs</i> : school districts.
Reimbursement for School Breakfast Programs	\$2,510,500	Reimburses 15 cents for each breakfast served; prorated if appropriation is insufficient (<i>prorated since FY06</i>).	School districts, private schools, and tribal schools (ICS and residential schools are not eligible under current law).
Wisconsin School Day Milk Program	\$1,000,000	Reimburses for cost of milk served to eligible students in prior year; prorated if appropriation is insufficient	School districts, private schools, and tribal schools (ICS and residential schools are not eligible under current law).

Income Eligibility for Federal Programs

Per federal guidelines, income eligibility for a reduced-price meal discontinues when family income exceeds 185% of the federal poverty level (FPL) and at 130% of the FPL for a free meal. The income eligibility thresholds for a free or reduced-price meal for the 2024-25 school year (FY25) is shown in the table below.

Table 2. Eligibility for Free or Reduced-Price Meals, 2023-24 (Family of Four)

2023-24 Amount	Percent of FPL	Eligibility Level
\$30,000	100%	Federal Poverty Line (FPL)
\$39,000	130%	Eligibility for a Free Meal
\$55,000	185%	Eligibility for a Reduced-Price Meal

The amount SFAs receive through the NSLP and SBP, and for snacks served during school changes each year and varies depending on the FRL status of students who receive the meals. While the payment also varies depending on the concentration of FRL-eligible students served by the SFA (see footnotes). The payment differential between a free-, reduced price-, and full-price meals are the same amount, regardless of the concentration of FRL-eligible students served by the SFA.

Table 3. Federal Reimbursements for Breakfast, Lunch, and Snack Meals (2023-24)

Student's FRL Status	SBP*	NSLP**	Afterschool Snacks***
Eligible for free meal	\$2.28	\$4.25	\$1.17
Eligible for reduced-price meal	\$1.98	\$3.85	\$0.58
Not Eligible (pays full price)	\$0.38	\$0.40	\$0.10
<i>Difference between the federal reimbursement for a free meal and the reimbursements for reduced-price and full-price meals:</i>			
Eligible for reduced-price meal	\$0.30	\$0.40	\$0.59
Not Eligible (pays full price)	\$1.90	\$3.85	\$1.07

*Under the SBP, a school is eligible for "severe need" reimbursement if 40 percent or more of the student lunches served at the school in the second preceding school year were served free or at a reduced price. Severe need payment is made on an individual school basis.

**Under the NSLP, if 60 percent or more of the student lunches served in the second preceding school year were served free or at a reduced price, the reimbursement is an additional two cents per lunch. Additionally, in Wisconsin, following initial Menu Certification, all SFAs receive Performance Based Reimbursement (PBR), an additional \$0.08 per meal. However, PBR may be disabled due to noncompliance with regulations.

***Under the Afterschool Snacks program, an afterschool care program site is "area eligible" if it is located at a school or in the attendance area of a school where at least 50 percent of the enrolled children are eligible for free or reduced price meals. All snacks served in afterschool care programs that are "area eligible" are reimbursed at the free rate. Snacks served in afterschool care programs that are not area eligible are reimbursed at the free, reduced price, and paid rates, depending on each students' individual eligibility for free or reduced price meals.

Funding Gap

While these federal and state nutrition programs offset the costs to schools of operating food service programs, the combined federal and state funding does not fully support those programs. And, while revenue is generated for paid meals (for children eligible for a reduced-price meal, or do not meet any FRL eligibility criteria and pay “full price” for a meal), in fact, it is not unusual for school districts to make an operating transfer from the district’s general fund for school operations to balance the district’s food service fund.

According to annual financial reports received by the department’s School Financial Services Team, nearly one-third of school districts made such transfers in FY19 and FY20 (131 districts and 136 districts, respectively). With the onset of the COVID-19 pandemic, the federal government provided the opportunity for schools throughout the nation to essentially provide meals to all students, free of charge, from the start of the national public health emergency in March 2020 through summer 2022. Thus, the data on school district transfers from their general operating fund to their food service fund during that time (i.e., FY20, FY21, and FY22) is not comparable to that of the years preceding the pandemic and the public health emergency.

Data from the 2022-23 school year (FY23) indicate that 60 districts made such transfers; total transfers were \$2,056,710 (average transfer was 34,278). A few districts also transfer revenue from their Community Service Fund (Fund 80) or from a Special Revenue Fund (Fund 21); just eight districts made such transfers in the 2022-23 school year (FY23) for a total of \$59,100.

School nutrition has continued to be an important and vital program that provides security to low-income students. Students who qualify for a reduced-price meal are still economically vulnerable, and their family’s income may in fact be negligibly higher than that of families whose income qualifies for a free meal (i.e., just above the 130 percent limit to qualify for a free meal). Yet, these families are required to pay a price for their students’ meals.

Students whose families struggle to pay for meals may suffer from “lunch shaming”, which is any action in which a pupil is held publicly accountable for unpaid school lunch or other meals (“lunch debt”), including: throwing away food intended for a student (rather than allowing the student to have it despite not being “paid for”), providing a less desirable alternative lunch, or requiring pupils to perform chores to pay off unpaid lunch/meal debts. Lunch shaming was the subject of a proposed bill in a previous legislative session ([2019 Assembly Bill 84](#)).

In order avoid the embarrassment of unpaid meal balances, students may choose to not eat a school-provided meal, and instead potentially go hungry, if their family does not have the resources to send food with the student to school. Eliminating the family charge for a reduced-price meal would remove that stigma and could encourage more students to take meals at school.

Providing additional aid to school districts and schools to cover the differential in the federal reimbursement amounts between free meals and reduced-price meals would allow children who are vulnerable to food insecurity to receive meals free of charge.

Proposal

The department proposes to create a new state aid program that would expand access to free meals for all students. Under the proposal, SFAs would receive aid payments equal to the difference in the federal reimbursement amount for free meals and that of reduced-price meals and full-price meals, multiplied by the number of meals served (using prior year data on number of meals served).

To be eligible to receive this state aid, the SFA would be prohibited from charging students for meals for which the SFA receives federal reimbursement. The SFA must also be participating in the NSLP to receive reimbursement for lunch meals and in the school breakfast program.

Under this proposal, state aid would replace revenue from meal charges for all students for the breakfast, lunch, and snack programs. While this proposal is not intended to increase net revenues for SFAs, in creating a stable, state-funded revenue stream for SFAs, there would presumably no longer be unpaid meal debt – and by extension, reduce operating transfers from a school district’s general fund to balance the food service fund.

That said, the focus of this proposal is on helping families. Access to nutritious meals on a consistent basis is a vitally important factor in a student’s ability to learn and be successful in school; as such, providing that access for all students who otherwise would not have it is a matter of equity.

Costs Estimates

The department reviewed the data on the number of reduced-price meals served between FY15 and FY25, using the average number of meals for each type to project the number of meals served in FY26, the basis for state aid payments in FY27. The tables below display projected meals served, the differential cost charged for reduced price and full price meals, and the estimated cost for the proposed Supplemental Nutrition Aid are shown.

Table 4. Projected Meals Served by Type and FRL Status (FY26)

FRL Status	Breakfast	Lunch	Snack	Total
Free Meal	24,510,786	41,944,761	1,348,427	67,803,974
Reduced Price Meal	1,463,782	3,423,856	5,050	4,892,688
Full Price Meal	10,135,432	32,501,383	52,523	42,689,338
Total Meals Served	36,110,000	77,870,000	1,406,000	115,386,000

The reimbursement rate under the proposed Supplemental Nutrition Program will be equal to the difference in the federal reimbursement amount for free meals and that of reduced-price meals and full-price meals:

Table 5. Proposed Reimbursement Rate for Reduced-Price Meals and Full Price Meals

Reimbursement Per Meal	Breakfast	Lunch	Snack
Reduced Meal	\$0.30	\$0.40	\$0.59
Full Price Meal	\$1.90	\$3.85	\$1.07

The projected number of meals for which reimbursements would be made to SFAs, the payment per meal, and the total estimated cost of the proposed Supplemental Nutrition Aid program are reflected in the table below. The payments per meal are set to equal the difference between the federal reimbursement rates for free meal and that of reduced price- and full-price meals.

Table 6. Reimbursement for Full and Reduced Price Meals (FY26)*

School Year	Breakfast		Lunch		Snack	
	Full Price Meals	Reduced Price	Full Price Meals	Reduced Price	Full Price Meals	Reduced Price
# Meals	10,135,432	1,463,782	32,501,383	3,423,856	52,523	5,050
State Aid/Meal	\$1.90	\$0.30	\$3.85	\$0.40	\$1.07	\$0.59
TOTAL	\$19,257,321	\$439,135	\$125,130,363	\$1,369,542	\$56,200	\$2,980

*Number of meals are projected to increase by one percent annually in FY25 and FY26 (the basis for payments made in FY26 and FY27).

The table below shows the total amount projected to fully fund the Supplemental Nutrition Aid program. The department requests that the new appropriation for the proposed aid program be created as a sum-sufficient appropriation, to ensure all eligible schools receive 100 percent of the aid for which they would be eligible.

Table 7. Projected Costs of Supplemental Nutrition Aid Program (Rounded)

FRL Status	FY26	FY27
Reduced price eligible students	\$1,812,000	\$1,830,000
Full price students	\$144,444,000	\$145,890,000
Total	\$146,256,000	\$147,720,000

In summary, the department requests an increase of \$146,256,000 GPR in FY26 and \$147,720,000 GPR in FY27, to create a new categorical aid program to eliminate fees charged to students for meals served in schools.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6050 – SUPPLEMENTAL NUTRITION AID (position/statutory language)

Request for Position Authority and Statutory Requirements

101 – General program operations

s. 20.255 (1)(a)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$72,500	\$96,600
Requested Position Authority	1.0 FTE	1.0 FTE

Request

As part of the proposal to create the Supplemental Nutrition Aid program, the department requests authority for 1.0 FTE GPR permanent position. The position would be classified as a School Nutrition Consultant. The amounts requested reflect direct personnel costs (salary and fringe benefits) and other costs associated with permanent positions, e.g., general IT support and other fixed (overhead) costs. The department requests an additional position as part of its request in anticipation of the increase in workload connected to the proposed program. In addition to a request for a GPR position to administer the proposed SNA program, the department requests two statutory provisions be included explicitly included in the statutory language governing the SNA program.

Proposal

Community Eligibility Provision

The department requests that as a part of its proposed SNA program, a statutory provision be created that would require LEAs/SFAs participating in the SNA program to apply for participation in the CEP under federal law, if the LEA/school meets the eligibility criteria to participate in the CEP. Under the CEP, lunch and breakfast meals are served free of charge to all students in participating schools, but meal applications for free or reduced-price meal benefits are not collected from households⁸⁰.

⁸⁰ Collection of student-level income data for outside programs requires the use of either the Alternate Household Income Form or the Modified USDA Free and Reduced-Price Meal Application. Processing costs for applications that contain only CEP students cannot be paid for using the non-profit food service account.

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The CEP is authorized under the Healthy, Hunger-Free Kids Act of 2010 (the Act), [PL 111-296](#), was signed into law on Dec. 13, 2010 (specifically, Section. 104. Eliminating Individual Applications Through Community Eligibility).

LEAs and schools are eligible to participate in the CEP if the LEA/SFA **participates in both the NSLP and the SBP**, and, if individual schools, groups of schools, or whole districts (LEAs) **have an identified student percentage of at least 25 percent**. For purposes of the CEP, the term “identified student percentage” - or ISP - refers to the proportion of enrolled students who are directly certified for free meals without the use of a meal application. Within some LEAs, individual schools may meet CEP participation criteria, even though the LEA does not, while for others, the CEP eligibility encompasses the whole LEA.

The ISP is established using enrollment data from April 1 of the school year prior to CEP implementation. (An LEA's/school's ISP is different from the free- and reduced-price percentage). Identified students may be determined by being matched electronically via Direct Certification (DC) for free meals with any of the following programs:

- Food Share/Supplemental Nutrition Assistance Program
- Wisconsin Works (W-2) Cash Benefits
- Food Share/SNAP and W-2
- Food Distribution Program on Indian Reservations (FDPIR)
- Medicaid
- Foster*

*Students may also be certified for free meals via extension of benefits from another child in the student's household who is matched electronically (via DC) with the categories above, *except for the “Foster” category* (free meal certification does not automatically extend to other children in the household). Students can also be determined to be “categorically eligible” for free meals without a meal application if any of the following circumstances apply to the student/child:

- Student is designated as homeless, a migrant, or a runaway
- Student is designated as “foster” and certified through means other than an application
- Child is enrolled in Head Start or Even Start programs
- Child is from a household that received FDPIR benefits who are certified via the letter method.

The ISP is used to establish the proportion of meals the federal government will reimburse at the rate for students who are eligible for a free meal and at the rate for students who are not eligible for free- or reduced-price meal (i.e., full-price meals). The reimbursement rate for a reduced-price meal does not apply for purposes of the CEP (i.e., there is no reduced-price category).

The LEA's/school's ISP is multiplied by a factor of 1.6 to determine the percentage of meals that will be reimbursed at the free rate (i.e., the highest rate paid under the NSLP / SBP). The remaining meals, up to 100 percent, are reimbursed at the rate paid for students who would normally pay full price for a meal due to being FRL-ineligible.

If the school, group of schools, or district has an ISP of 62.50% or higher, 100% of meals served will be reimbursed at the free rate and 0% at the paid rate. The same claiming percentages are used for breakfast and lunch and are valid for four years.⁸¹

By participating in the CEP, schools/LEAs not only make nutritious meals available to all students; they also maximize the reimbursements from the federal government to support their food programs. By requiring LEAs to seek approval for participation in the CEP as a condition of eligibility for aid payments under the proposed SNA program, the state is also ensuring that as many students as possible are eligible for free school meals. Additionally, by maximizing the federal revenue flowing to schools for school meals, the state ensures that its investment in school meals is as efficient as possible.

Non-Compliance with Federal Regulations

As described in the department's proposal to create the Supplemental Nutrition Aid (SNA) program, local educational agencies (LEAs) would be eligible for reimbursement by the state under the SNA program for meals served at no charge to the student, provided the School Food Authorities (SFAs) participates in the National School Lunch Program (NSLP) and the federal School Breakfast Program (SBP).

To receive reimbursement from the federal government under the NSLP/SBP, the SFA must comply with federal laws and regulations regarding meals served to students. By extension, the proposed SNA program would in effect, also reimburse LEAs for meals served to students that comply with federal laws and regulations under the NSLP/SBP.

The department requests that as a part of its proposed SNA program, a statutory provision be created that would ensure that if an LEA/SFA participating in the state-funded SNA program were deemed to be out of compliance with federal law/regulations governing the NSLP and/or SBP, and as a result of the non-compliance finding, the LEA/SFA were subject to returning federal funds, the department could take action to recoup monies paid to the LEA/SFA under the state-funded SNA program, as well.

The recouping of monies from the state SNA payments (for non-compliance) could take the form of adjusting the LEA's/SFA's aid payments in the other state-funded school nutrition programs (i.e., federal matching funds under the NSLP and/or the state-funded

⁸¹ Annually, agencies must report any significant changes in their student population that may require a recalculation (of ISP). Agencies may also apply to increase their ISP and claims percentages, and to restart the CEP cycle.

reimbursements for school breakfasts) and reallocating the adjustments to other LEAs/SFAs (even if the adjustment occurs in a year after the non-compliance occurred and/or was identified by the department). The recouping could also take the form of requiring the LEA/SFA to return monies to the department, which would be treated as a refund of expenditures and returned to the state's general fund.

Statutory Language

The department requests that two statutory provisions be created under the proposed SNA program:

1. To require that LEAs/SFAs that meet eligibility criteria to participate in the CEP (individual schools, groups of schools, or LEA/SFA wide) apply to participate in the CEP, as a condition of receiving state aid under the SNA program.
2. To authorize the department to recoup state monies paid to LEAs/SFAs under the SNA program if the LEA/SFA were found to be out of compliance with federal law/guidelines governing the NSLP and/or the SBP and because of the finding, the LEA/SFA were required to return federal aid payments.

DECISION ITEM 6051 – SCHOOL BREAKFAST GRANT

215 – Reimbursement for school breakfast programs

s. 20.255 (2)(cm)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$5,537,900	\$5,592,600
Less Base	\$2,510,500	\$2,510,500
Requested Change	\$3,027,400	\$3,082,100

Request

The department requests an increase of \$3,027,400 GPR in FY26 and \$3,082,100 GPR in FY27 for reimbursements under the School Breakfast Program (SBP), to fully fund the statutory rate of 15.0 cents for each breakfast served.

The department’s request includes \$120,800 in FY26 and \$121,400 GPR in FY27 to fund reimbursements under the SBP at 15.0 cents for each breakfast served in institutions that are not eligible for reimbursement under current law: 1) independent charter schools (ICS), under Wis. Stat. sec. 118.40 (2r) and (2x); 2) the Wisconsin Educational Services Program for the Deaf and Hard of Hearing (“School for the Deaf”) under Wis. State. sec. 115.52; 3) the Wisconsin Center for the Blind and Visually Impaired (“School for the Blind”), under Wis. Stat. sec. 115.525; and 4) residential care centers for children and youth (RCCs), as defined under Wis. Stat. sec. 115.76 (14g). The School for the Deaf and School for the Blind are referred to collectively as the state’s residential schools.

The department also requests a change in statute to cease payment of aid under the SBP to an institution that ceased to operate at any point during or at the end of the previous school year.

Background

The federal SBP provides cash assistance to states to operate nonprofit breakfast programs in schools and RCCs. School breakfasts are available to all students. Participating entities receive cash subsidies from the U.S. Department of Agriculture (USDA) for each meal they serve. In return, they must serve breakfasts that meet federal requirements, and they must offer free or reduced-price breakfasts to eligible children. Eligibility criteria, student costs, and USDA reimbursement rates for free, reduced, and full-price meals during the 2022-23 school year are shown in Table 1 below.

Table 1. School Breakfast Program Eligibility Criteria, Student Charges, and Reimbursement Rates (2024-25)

Pay Status	Eligibility Criteria	Amount Student's Family Pays	Amount USDA Reimburses Participating Entity* (non-severe / severe)
Free meals	Children from families with incomes at or below 130 percent of the federal poverty level.	\$0.00	\$2.37 / \$2.84 per meal
Reduced-price meals	Children from families with incomes between 130 percent and 185 percent of the federal poverty level are eligible for reduced-price meals.	No more \$0.30 per meal	\$2.07 / \$2.54 per meal
Full-price meals	Children from families with incomes over 185 percent of the federal poverty level pay full price.	Schools set their own prices for breakfasts served, though they must operate their meal services as non-profit programs.	\$0.39 per meal

*For students in the free or reduced-price categories, the two USDA reimbursement amounts reflect the school's status as either non-severe need or severe need (i.e., 40 percent or more of the student lunches served at the school in the second preceding school year were served free or at a reduced price). The difference between the categories (i.e. free meals, reduced-price meals, and full-price meals) was the same whether or not the student is enrolled in a school identified as non-severe need or severe need (\$0.30).

The state reimbursement for SBP was created under 1993 Wisconsin Act 168, first providing aid in FY95. When the appropriation was first created, it was designed to assist in establishing an SBP. The department awarded startup grants, not to exceed \$10,000, to school districts and private schools to reimburse them for certain nonrecurring costs associated with establishing breakfast programs. School districts and private schools in which at least 20 percent of students were eligible to receive free or reduced-price lunch (FRL-eligible) were eligible to receive a startup grant.

Then, under 1999 Wisconsin Act 9, beginning in FY01, the startup grants were eliminated; instead, each eligible institution was reimbursed 10 cents per breakfast served in the prior school year. The appropriation was increased, from \$150,000 for just startup grants, to \$892,100 for the reimbursements, based on the number of breakfasts served.

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Program Participation

In the initial years of the program, the appropriation was more than sufficient to cover all claims, and unexpended funds carried over into the subsequent fiscal year. As a result of the increase in school breakfast participation, appropriated and carryover funds were fully expended by FY06. This is the first time claims were not paid at 100 percent. State aid payments have been prorated since FY06, as a result of the continued increase in school breakfast participation.

The statutory reimbursement rate was increased to \$0.15 per breakfast served beginning in FY08. Despite that increase, aid payments continued to be prorated. The highest per-meal reimbursement was achieved in FY09, when the program paid just over \$0.14 per breakfast. Since then, the reimbursement rate has decreased steadily, as participation increased and the appropriation remained flat. The per-breakfast reimbursement decreased to just under \$0.08 in FY16 and has remained below \$0.08 per breakfast since. Table 2 shows the history of the school breakfast aid appropriation, reimbursement rates and proration of aid as well as projected reimbursements through FY25.

Table 2. School Breakfast Program Reimbursement History and Projections

School Year - Meals Served	Claims for Breakfasts Served	Change in Claims for Breakfasts	SFY - Aid Payments to LEAs	Statutory Reimbursement Rate	Cost to Fully Fund (Statutory Rate)	Actual Reimbursement	Proration
2011-12	28,451,334		FY13	0.150	4,267,800	0.088	59%
2012-13	29,209,199	2.7%	FY14	0.150	4,381,400	0.086	57%
2013-14	30,498,801	4.4%	FY15	0.150	4,574,900	0.082	55%
2014-15	31,792,576	4.2%	FY16	0.150	4,768,900	0.079	53%
2015-16	31,764,537	-0.1%	FY17	0.150	4,764,700	0.079	53%
2016-17	32,138,309	1.2%	FY18	0.150	4,820,800	0.078	52%
2017-18	32,247,843	0.3%	FY19	0.150	4,837,200	0.078	52%
2018-19	31,384,725	-2.7%	FY20	0.150	4,707,800	0.080	53%
2019-20	34,445,385	9.8%	FY21	0.150	5,166,900	0.073	49%
2020-21	9,827,321	-71.5%	FY22	0.150	1,474,100	0.255	100%
2021-22	44,158,970	349.3%	FY23	0.150	6,623,900	0.057	38%
2022-23	32,949,011	-25.4%	FY24	0.150	4,942,400	0.076	51%
2023-24 (prelim)*	35,756,291	8.5%	FY25 (prelim)	0.150	5,363,500	0.070	47%

*2023-24: preliminary figures, meals claimed for the 2022-23 school year as of 7/17/2024.

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The department anticipates that the number of school breakfasts served will continue to increase by approximately one percent annually over the next few years, based on a smoothed average of participation between the 2010-11 and the 2024-25 school years (for aid distributed in FY12 through FY24). Participation in the school breakfast program has generally grown most years, with an obvious interruption during the 2019-20 school year (COVID public health emergency, March 2020), as evidenced by the nearly nine percent drop in breakfast meal reimbursements between FY20 and FY21 (for meals served in 2018-19 and 2019-20, respectively). The department's projection also reflects the impact of the Community Eligibility Provision (CEP) under federal law, which requires that free breakfasts be served to every student in a participating CEP school.

The base appropriation of \$2,510,500 will be insufficient to fully fund (at 15 cents per meal) the projected number of meals for which schools may be reimbursed. Without an increase in the state school breakfast appropriation, the department estimates that reimbursement rates to public and private schools will continue to decrease in and throughout FY25, FY26, and FY27:

- FY21 – 7.2 cents per breakfast served
- FY22 – 6.2 cents per breakfast served
- FY23 – 5.7 cents per breakfast served (estimate)
- FY24 – 7.6 cents per breakfast served (estimate)
- FY25 – 7.0 cents per breakfast served (estimate)

The combination of a flat state appropriation and continued growth in participation in SBPs will result in lower reimbursement rates for participating schools. Continued reductions in the state reimbursement rate for schools under the SBP may result in decreased program viability and has the potential to reduce the number of schools that are able to continue to offer school breakfast programs. This, in turn, would very likely result in a reduction in the number of children who participate in the school breakfast programs, to the detriment of those students whose families are most in need of nutritional support.

Proposal

Program Changes

Currently, only public and private schools receive the state reimbursement for breakfasts served. This is not consistent with the state matching program for the federal school lunch program, under which ICS, the state's residential schools, and RCCs are eligible for state reimbursement. Table 3 below details the available data on the number of breakfasts served in independent charter schools, the state's residential schools, and RCCs, as well as eligible expenditures if these entities were reimbursed at the same rate as participating institutions, from FY13 through FY23.

Because the data indicates that the number of breakfasts served in these institutions shifts (sometimes substantially) from year to year, the department assumes that the number of breakfasts served in these schools/RCCs will be approximately around 805,254 in FY26 and 809,281 meals in FY27, and therefore, will require increases to the base appropriation of \$120,800 GPR in FY26 and \$121,400 in FY27, in order to fully fund claims at \$0.15 per meal.

Table 3. Independent Charter Schools, State Residential Schools, and Residential Childcare Centers

For Meals Served in (school year)	Breakfasts Served	Percent Change in Breakfasts Served
2012-13	840,983	
2013-14	924,822	10.0%
2014-15	900,783	-2.6%
2015-16	762,152	-15.4%
2016-17	795,437	4.4%
2017-18	399,479	-49.8%
2018-19	738,134	84.8%
2019-20	677,489	-8.2%
2020-21	422,518	-37.6%
2021-22	795,697	88.3%
2022-23	807,903	1.5%
2023-24 (prelim)	801,248	-0.8%
2024-25 (est)	805,254	0.5%
2025-26 (est)	809,281	0.5%

Students attending these institutions should have access to school breakfast just as students attending any other public or private school in the state. Allowing ICS, the residential schools, and RCCs to receive state reimbursement for school breakfast could incentivize them to expand the number of students receiving school breakfast, or to offer a school breakfast program if a school does not already have a program. The department also believes that extending SBP eligibility to these entities will create stability in program participation and prevent the large swings in breakfasts served, as demonstrated in the table above, which benefit the students in attendance at those entities.

Regardless of whether a child is enrolled in a public, private, or ICS, or receiving their education at one of the state’s residential schools or an RCC, state reimbursement supports the SBP, also to the benefit of the child. Although the department does not oversee RCCs, it is the state education responsible for dispersing federal USDA funds to RCCs, thus the inclusion of those institutions in the department’s request.

School Closure

Under current law, the department reimburses SBP participants for breakfasts served in the prior school year; reimbursements are made for all breakfasts served, whether a school operates its SBP for the full year or just part of the year. Under current law, if a school were to actually cease operations, the department would be required to attempt to make payments for SBP reimbursements for the prior year breakfasts served. If an individual public school were to cease operations, SBP aid payments would still be made to the school district of the closed school; and in the case of school district consolidation, aid payments could be made to the newly consolidated district (based on the eligibility of the individual districts prior to consolidation). However, closure of a private school (or a an ICS, RCC, or the state’s residential schools) presents a unique challenge, in that there simply would be no existing institution to which the department could make payments after a school closure.

This contrasts with state aid payments under the School Lunch Program, which requires that a school must participate in the program through the following year to receive the reimbursement for program participation in the previous year. The department does not propose the exact same treatment for the SBP, but the department proposes an exception in the statute for private schools, ICS, RCCs, and the residential schools that absolves the department from making payments for meals served in the prior school year would.

Funding Request

The department requests an increase to the appropriation for SBP reimbursements in order to fully fund eligible claims from participating public and private schools, as well as ICS, RCCs, and the state’s residential schools in FY26 and FY27 at 15 cents per breakfast served, as shown in table 4, below. Additionally, the department proposes to cease payments to schools that ceased to operate at any point during or at the end of the previous school year.

Table 4. Projected Costs of Providing Full Reimbursement at 15 cents per Breakfast

Estimated Breakfasts Served (rounded)	FY26	FY27
Current Law Eligible LEAs	36,113,854	36,474,992
ICS, State Residential Schools, RCCs	805,254	809,281
Total Estimated Breakfast Meals Served	36,919,108	37,284,273
Reimbursements at \$0.15 per Meal (rounded)	\$5,537,900	\$5,592,600
FY25 Base	\$2,510,500	\$2,510,500
Request	\$3,027,400	\$3,082,100

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In summary, the department requests increases of \$3,027,400 GPR in FY26 and \$3,082,100 GPR in FY27, for state aids for reimbursements under the state-funded SBP at 15.0 cents for each breakfast meal served. The department also requests expanding eligibility to participate in and receive reimbursement under the SBP, to include ICS, RCCs, and the state's two residential schools. Finally, the department requests a change in statute to authorize the department to stop payments under the SBP to an institution that ceased to operate at any point during or at the end of the prior school year.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6052 – SCHOOL DAY MILK PROGRAM

214 – Wisconsin school day milk program

s. 20.255 (2)(cp)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$1,211,100	\$1,247,800
Less Base	\$1,000,000	\$1,000,000
Requested Change	\$211,100	\$247,800

Request

The department requests an increase of \$211,100 GPR in FY26 and \$247,800 GPR in FY27 to fully fund projected claims under the Wisconsin School Day Milk program.

Background

First established under 1987 Wisconsin Act 27, the Wisconsin SDMP was created as a categorical aid program to reimburse schools for a portion of their costs for serving milk to prekindergarten through grade 5 students who are eligible for free or reduced price meals. Only one half-pint of milk may be claimed per eligible student per school day. If milk served to students is claimed under the federal Special Milk Program, it may not be claimed under the Wisconsin SDMP.

Statutes provide that the department shall pay each participating school the full cost of beverages served to eligible children in the prior school year. Both public schools (including independent charter schools) and private schools are eligible for aid under this program. If the appropriation in any fiscal year insufficient to pay the full amount of aid under this section, state aid payments shall be prorated among the schools entitled to such aid. Information regarding participation in the program by public and private schools, and total consumption (aided), is included in Table 2, below.

The total eligible claims are a function of both consumption and the price per unit of milk. The department is not able to estimate changes in milk prices as part of the cost projections. To project claims for aid in the 2025-27 biennium, the department relied on total claims through FY23 as the basis for estimating eligible claims in future years.

Table. 1 Wisconsin School Day Milk Program

Payment Year	FY18	FY19	FY20	FY21	FY22	FY23	FY24
School Year - Data	2016-17	2017-18	2018-19*	2019-20	2020-21	2021-22	2022-23
Claiming Agencies:							
Public	241	235	230	229	215	217	216
Private	17	17	15	16	14	13	14
Total	258	252	245	245	229	230	230
Consumption Total	5,008,050	4,600,313	4,493,610	3,384,598	2,592,410	3,581,133	3,667,482
Total Claims	\$1,066,736	\$952,336	\$947,876	\$778,871	\$640,229	\$980,781	\$1,146,490
Reimbursements							
Public	\$610,081	\$607,937	\$935,627	\$765,310	\$628,942	\$968,335	\$987,455
Private	\$7,019	\$7,963	\$12,249	\$13,561	\$11,287	\$12,446	\$12,545
Total Reimbursements*	\$617,100	\$615,900	\$947,876	\$778,871	\$640,229	\$980,781	\$1,000,000
Aid Proration	57.90%	64.67%	100.00%	100.00%	100.00%	100.00%	87.22%

Table. 2 Projected Costs of Fully Funding the Wisconsin School Day Milk Program

Payment Year	FY25	FY26	FY27
School Year - Data	2023-24	2024-25	2025-26
Projected Consumption	3,670,000	3,670,000	3,670,000
Projected Claims	\$1,174,400	\$1,211,100	\$1,247,800
Projected Reimbursement	\$1,000,000	\$1,000,000	\$1,000,000
Aid Proration	85.15%	82.57%	80.14%
Amount to fully fund	\$174,400	\$211,100	\$247,800
Claim amount per unit	\$0.320	\$0.330	\$0.340

Proposal

The department believes that increases to the appropriation will both offset costs related to serving milk to eligible pupils to a greater degree, while encouraging school districts that may have ceased participation in the SDMP to resume participation in the program, or to participate for the first time, for the benefit of students statewide. The department projects participation in the program that follow general trends (increasing) since FY20. As such, an additional \$211,100 in FY26 and \$247,800 in FY27 is required to increase the reimbursement rate for the Wisconsin SDMP to 100 percent of eligible expenditures.

Statutory Language

The department is not proposing any statutory language related to this request.

DECISION ITEM 6053 – GRANT FOR MILK COOLERS AND DISPENSERS

248 – Grants for milk coolers and dispensers

s. 20.255 (2)(co)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$150,000
Less Base	\$0	\$0
Requested Change	\$0	\$150,000

Request

The department requests \$150,000 GPR annually, beginning in FY27, in a new, annual appropriation, for a competitive grant program that would reimburse School Food Authorities (SFAs) for the cost of purchasing milk coolers and milk dispensers that do not qualify for reimbursement under a federally funded program for purchase of equipment.

Background

The department acts as a passthrough for the United State Department of Agriculture (USDA) National School Lunch Program (NSLP) Equipment Assistance Grant for School Food Authorities (hereafter referred to as the EAG). Under the EAG program, state education agencies award equipment assistance grants to eligible School Food Authorities (SFAs) participating in the NSLP, on a competitive basis, giving priority to high need schools (i.e., schools in underserved areas, schools with limited access to other resources, and age of food service equipment).

These funds allow SFAs to purchase equipment to serve healthier meals that meet the updated meal patterns (with emphasis on more fruits and vegetables in school meals), to improve food safety, and to expand access to healthy foods to students in schools.

In FY21, the USDA awarded Wisconsin \$398,070 to distribute to SFAs. The funds went towards 25 pieces of equipment for SFAs. The department received \$1,103,098 equipment grant in FY22 for 58 pieces of equipment; \$405,639 in FY23 for 34 pieces of equipment, and \$170,191 in FY24 (the number of pieces of equipment purchased is still to be determined).

Under the EAG program, equipment requests must meet the capitalization threshold for the SFA applying for the grant. This threshold is typically \$5,000 or more. The SNT indicates that SFAs looking to purchase milk coolers and/or dispensers are often not able to use the EAG program for this purpose, because the milk coolers and/or dispensers tend

to cost less than \$5,000 (the typical capitalization threshold). An internet search for milk coolers and milk dispensers options available to schools shows prices tend to run from \$3,000 to \$5,000 for small to medium capacity milk coolers and dispensers.

Table. 1 USDA Funding and Number of Equipment Purchased

<u>Fiscal Year</u>	<u>Amount of USDA Funding</u>	<u>Number of Pieces of Equipment Purchased</u>
2021	\$398,070	32
2022	\$1,103,098	58
2023	\$405,639	34
2024	\$170,191	TBD

Currently, the SNT receives five to 10 requests annually to cover the costs of purchasing milk coolers, but the requests cannot be approved under the EAG program because the cost of the milk cooler is less than the SFA’s capitlization threshold. The SNT conducted a survey of the diffeent schools and received 405 responses. Of the 405 respondents, approximately 20 percent do not own a milk cooler. However, the team estimates that the number of SFAs that do now own a milk cooler is higher than represented in the data. The team notes that the data does not also refelct if the respondents have milk coolers at all locations. Of the roughly 80 SFAs that responded without milk coolers, 61 SFAs (75 percent) indicate they would pursue state funding to purchase a milk cooler if state funding were available.

Proposal

The department proposes a state-funded grant program that would be available to SFAs to use to purchase milk coolers and milk dispensers priced below the capitalization threshold (and therefore not eligible under the USDA-NSLP EAG program). The department requests an increase of \$150,000 GPR in FY27, for the proposed grant program that would offset costs to SFAs of purchasing milk coolers and milk dispensers. Under the proposed grant program, SFAs that use grant funds to purchase milk dispensers could also use the grant funds to purchase reusable and washable drinking glasses that would be used by students getting milk from the dispensers, as a way to reduce waste that occurs with disposable drinking glasses. The department requests that a new, annual appropriation be created for the proposed grant program.

Statutory Language

The department is proposing any statutory language related to this request.

DECISION ITEM 6054 – LOCAL FOOD TO SCHOOLS PROGRAM

249 – Local foods for schools; grants

s. 20.255 (2)(cL)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$5,000,000	\$5,000,000
Less Base	\$0	\$0
Requested Change	\$5,000,000	\$5,000,000

Request

The department requests \$5,000,000 GPR in FY26 and \$5,000,000 GPR in FY27 in a new, annual appropriation, for the creation of a new Local Food to School grant program.

Background

The department was awarded \$3,447,772 from the United States Department of Agriculture’s Agricultural Marketing Service (USDA-AMS) as part of a local food to school (LFS) grant program to support local supply chains. This LFS grant was awarded as one-time grant. Payments to local education agencies (LEAs) began in Spring 2023, continued through the 2023-24 school year. This program is administered by the School Nutrition team in the department’s Division for Finance and Management.

Local Food to Schools Program

The main goal of the LFS grant program is to strengthen local food supply chains by supporting Wisconsin’s small and socially disadvantaged farmers and producers, and by providing fresh, high-quality food to Wisconsin students. This was accomplished by issuing noncompetitive sub-awards to School Food Authorities (SFAs) in schools and non-SFA organizations. These SFAs and non-SFA organizations are not usually able to compete or qualify under existing farm-to-school programming.

A secondary goal of the program is to build a more resilient local food chain by expanding and strengthening local and regional markets. These funds are to be used for purchasing domestic, local unprocessed or minimally processed products, from a small and/or socially disadvantaged farmer or producer, for use in the National School Lunch Program (NSLP) and/or School Breakfast Program (SBP). The term “local” is defined by each sub-awardee, as there is no federal definition of “local”. The SFA’s definition for local may change seasonally, with the type of product, or special event. Local can be defined by a certain number of miles from the SFA, or within the county, the state, or adjacent state(s), etc.

With the support of the LFS grant, schools were able to connect with local producers, rangers, and farmers through various channels. These channels include prime vendors (commercial distributors), direct-to-farmer, direct-to-processor, community gardens, school gardens, farmer's markets or auctions, food hubs, cooperatives, food aggregators⁸², and the USDA-Department of Defense Fresh Produce Program⁸³.

LFS Program Grant Awards

The grant monies were allocated to SFAs and non-SFA organizations upon review of spending plans, and other factors, including status as a socially disadvantaged farmer or producer, small business status, geographic location, and/or tribal affiliation. For purposes of the LFS program:

- “socially disadvantaged farmers and producers” are defined as farmers or ranchers who are members of a socially disadvantaged group⁸⁴.
- “small business” is defined as a for-profit business with any legal structure, independently owned and operated, that is not nationally dominant in its field and is physically located and operating in the U.S. or its territories.

Geographic location was also considered in awarding subgrants to ensure that the funds were available across the state. Lastly, one of the goals of the LFS program was to ensure that SFAs and non-SFA organizations have access to minimally processed foods produced by tribal producers and to provide funding to SFAs serving tribal students. Program staff indicate that spending plans that were focused on developing new and broader supply chain connections with Wisconsin producers and SFAs were most likely to be selected, with priority given to the plans that expanded the local supply chain.

In mid-January of 2023, the first subawards of the program were made. Eleven Wisconsin non-SFA organizations applied for subgrants, requesting a total of \$4,165,500 in funding and 118 SFAs submitted applications, requesting a total of \$1,224,500. The department was able to award a total of \$3,447,772. Non-SFA organizations were awarded \$2,437,012 and SFAs were awarded \$1,010,760. Program staff report that as of June 1, 2024, a total of \$3,363,595 had been spent by the sub-awardees across Wisconsin.

⁸² “Food aggregators” food collect products from multiple farmers and distribute throughout the state.

⁸³ The USDA and the [DoD Fresh Produce Program](#), which supplies fresh fruits and vegetable for the military services, are partners in efforts to increase availability of fresh produce to agencies participating in the USDA Foods Program through the National School Lunch Program (NSLP).

⁸⁴ “Socially disadvantaged group” is defined as a group that has been subject to discrimination on the basis of: race, color, nationwide origin, age, disability; and, where applicable: sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, or because all or a part of an individual’s income is derived from any public assistance program.

LFS Program Impacts and Outcomes

Participation in the LFS program allowed connections to be made between farmers, producers, distributors, and schools. Program staff indicate provided the following data related to students and school sites served under the LFS program:

- Products reached **1,066 NSLP school sites, 353 Community Eligibility Provision (CEP) sites, 976 SBP sites.**
- **410,699 students** that were represented within the school districts who benefited from this program (204,726 of the students were approved for free meals and 17,109 students were approved for reduced-price meals).
- **156 unprocessed or minimally processed local products** that have been provided to students through the program.

An analysis conducted by the Wisconsin Evaluation Collaborative (WEC)⁸⁵ includes data on the number of partners and beneficiaries involved in the LFS program, as well as general information about the food products reaching schools. Some of the findings from the WEC analysis include the following:

- **253 farmers/producers, all of which are small businesses,** and 39 (**15 percent**) of which self-identified as **socially disadvantaged.**
- Of the \$3,411,040 total reimbursements, \$900,985 – **26 percent** – of the reimbursements were for **socially disadvantaged farmers/producers.**⁸⁶
- Between SFA sub-awardees, SFAs that received food provided by non-SFA sub-awardees, and SFAs that did both, a **total of 257 SFAs** benefited from the program.
- The **most common local foods** received by participating sites included vegetables (44%), fruits (36%), milk (29%), meat (11%), alternative protein (8%), other foods (5%), and grains (2%).

Proposal

The department proposes creating a new, noncompetitive, state-funded Local Food to School grant program to continue to strengthen the local food supply chain. The proposed state

⁸⁵ The Wisconsin Evaluation Collaborative (WEC) is housed at the Wisconsin Center for Education Research at the University of Wisconsin-Madison. The report is published on this DPI web page [see “WI LFS Evaluation Report”]: [Local Procurement | Wisconsin Department of Public Instruction](#)

⁸⁶ Notation from the WEC report: “Total reimbursed at the time that DPI provided evaluators with administrative data. DPI has since received all reimbursements. Of the 118 SFAs awarded LFS funds, 82 applied for reimbursement.”

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grant program would continue support for Wisconsin's small businesses, and small and/or socially disadvantaged farmers and producers, while expanding access to fresh, high-quality foods to students in schools throughout Wisconsin.

The department was recently notified that it has again been awarded a grant under the LFS program, as part of the second round of funding from the USDA-AMS. Funding will likely be made available to schools and producers beginning in the 2024-25 school year. Program staff anticipate that funding could be available through the end of September 2025 (to fully close out activity during the 2024-25 school year).

The awarding of a second grant from USDA-AMS will allow the department to continue the valuable work of connecting farmers, food producers, and distributors to schools to provide fresh, high-quality foods in schools – for the current school year. There is no indication at this time that the federal LFS grant program will continue beyond the current grant cycle. Thus, the department's proposal for a state supported LFS program.

The department requests \$5,000,000 GPR in FY26 and \$5,000,000 GPR in FY27 for the creation of the proposed Local Food to School program. Existing staff have been and will continue to support the federal LFS grant program. The department is not requesting additional position authority to administer the proposed state-funded LFS program, as program staff on the School Nutrition team indicate that existing staff could absorb the workload associated with this request.

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6055 – AMERICORPS FARM TO SCHOOL PROGRAM

150 – AmeriCorps farm-to-school; state match

s. 20.255 (1)(ac)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$250,000	\$250,000
Less Base	\$0	\$0
Requested Change	\$250,000	\$250,000

Request

The department requests an increase of \$250,000 GPR in FY26 and \$250,000 GPR in FY27 in a new, annual appropriation, to be a dedicated source of state match for the AmeriCorps Farm-to-School federal grant program.

Background

AmeriCorps is a federally funded national service program that engages over 80,000 members in service each year to solve pressing national problems through direct service and by mobilizing millions of volunteers for the organizations they serve. The primary aim of the Farm to School (F2S) program is to improve student health and eating behaviors. Its strategy is to encourage schools to buy directly from local growers and incorporate locally grown foods into school meal and snack programs.

The AmeriCorps F2S program provides an innovative approach to building healthy communities and improving child nutrition by implementing educational F2S activities for students and families and encouraging healthy eating choices within an educational setting. F2S also develops strong communities by creating future community leaders and connecting schools with local farmers and businesses. Lastly, it increases the capacity of communities all over Wisconsin to support sustainable F2S programs that encourage healthy behaviors and improve the school food environment.

Originally, the F2S program was run by the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP), but the department took over responsibility for administering the program several years ago (first F2S grant was received in FY18). More information about the F2S program can be found on this [National Farm to School publication](#).

AmeriCorps/F2S Grant Cycles

The AmeriCorps F2S grant is awarded to states through a combination of competitive and formula processes and generally operates over a three-year cycle. The program offers two types of grant opportunities: competitive and formula basis grants. The grant cycle is three years for the competitive pool of funds. States that receive an award under the formula grant program may be awarded a three-year grant, though, a formula grant awardee can reapply for a competitive grant after just one year of program implementation. The department has received single-year and three-year formula grants.

The department's School Nutrition Team (SNT) has administered the F2S grant program for several years, beginning in 2017-18, which was the year that the department was awarded a grant (one-year, formula). The department was awarded a second, one-year formula grant for 2018-19. Then, the department was successful in obtaining a three-year competitive grant, which ran from 2019-20 through 2021-22. After that grant cycle, the department was awarded a three-year formula grant; that cycle began in 2022-23 and will run through 2024-25.

The SNT has applied for another three-year formula grant (October 2024). If selected, the department's next AmeriCorp F2S grant would run from 2025-26 through 2027-28.

Grant Funding and State/Local Match Requirement

In the current grant cycle, the department has expended about \$360,000 each year of the first two years of the grant. Under the F2S program, states must meet a local & state match requirement in exchange for federal funding. The match state/local match rate is 50 percent, with the department absorbing roughly \$177,000 FY23 and \$200,000 in FY24⁸⁷. While the required state/local match has been 50 percent in prior grant cycles, program staff indicate from FY20 through FY22 (due to the COVID pandemic), a portion of match requirements was waived, such that the match effort was less than 50 percent.

Program staff indicate that for the upcoming grant cycle (FY26-FY28), the amount of funding for which the department could apply was reduced. When applying for grant funds, applicants propose the number of "member service years" (MSY) and request funding to support the proposed number of MSYs (AmeriCorp volunteers) to implement the program and provide services for the F2S grant program. In the existing grant cycle, the department was able to apply for \$27,000 for each of the 15 MSY proposed, for a maximum grant award of \$405,000 each year of the grant.

The federal funding and state/local match funds essentially support the work of AmeriCorp volunteers who implement the F2S program in the field. The AmeriCorp

⁸⁷ While the required state/local match has been 50 percent in prior grant cycles, program staff indicate from FY20 through FY22 (due to the COVID pandemic), a portion of match requirements was waived, such that the state match effort was less than that, closer to 30 percent.

volunteers (“members”) are tasked with developing and implementing nutrition education programs for students in 4K through 12th grade. They assist with the creation and implementation of F2S programming to improve school food environments in a variety of ways, including:

- Providing local procurement education and action plans,
- Establishing school gardens and providing associated curriculum
- Incorporating local foods in school meal programs
- Arrange for local food taste tests and farmer visits/field trips.

AmeriCorps members also promote the [Wisconsin Local Foods Database](#) to local producers and school nutrition directors, recruit and mobilize community volunteers to increase the program’s capacity, and coordinate and facilitate a farm to school task force / committee to promote program sustainability.

For the upcoming three-year grant cycle, the maximum amount permitted for each MSY was reduced to \$25,000; thus, the maximum amount that could be requested (for 15 MSYs) was just \$375,000/year. While the required state/local match dollar amount is anticipated to be lower (due to the lower federal award), the department is hesitant to reduce its commitment of GPR resources to the program. Doing so would put pressure on local partners to produce more resources for match and likely jeopardize the ability of the department and F2S local partners to maintain current service levels.

Program staff indicate that increasing the required match from local sites to support the program is simply not realistic. If the department is not able to provide sufficient state funding to support the F2S program as it exists – not just the required match amount – the F2S program may not be able to continue, at least not at the current level of activity.

Meeting the State Match Requirement

Currently, there is no dedicated state match source for the AmeriCorps F2S program. The department is able to leverage some in-kind match from host sites of the AmeriCorps F2S program to contribute to the state/local match. Butand utilizes existing GPR funding in its general program operations appropriation to absorb the costs for match-allowable expenditures. The department did not receive additional GPR funding when it took over responsibility for the F2S grant program (FY18).

To be counted as eligible for meeting the state match requirement, expenditures must be directly related to the AmeriCorps F2S program, but any expenditure type may be counted as match. This includes staff personnel costs, monthly stipends for AmeriCorp volunteers, variable expenses such as travel (for volunteer trainings) and AmeriCorps F2S gear (which volunteers are required to wear), and monthly insurance costs. Program staff indicate that the federal funding, local match (in-kind or cash), and state funding can be considered fungible within the allowable set of costs for the F2S program – but the

department does have to document that state/local resources were used for allowable purposes to demonstrate that the state/local match requirement is being met.

Proposal

Creating a dedicated state match GPR source to support the activities of the F2S program would ensure continuation of the successful F2S program and avoid putting undue financial burden on local sites to produce cash and in-kind match. The department estimates that having a dedicated source of GPR funding at \$250,000 annually would provide sufficient resources to not only meet the required match level but also to enable Wisconsin to continue providing programming and services in schools under the AmeriCorps F2S program.

In summary, the department requests \$250,000 GPR annually, beginning in FY26, in a new, annual appropriation dedicated to serving as state match for the AmeriCorps F2S program.

Statutory Language

The department is proposing statutory language related to this request.

PARENT CHOICE IN EDUCATION

Change in Per Pupil Payments and Open Enrollment Full-Time Transfer Payments

The department proposes that the per pupil payments for the following programs be modified in FY26 and FY27:

Program	Per Pupil Payment			Change to Prior Year	
	FY25	FY26	FY27	FY26	FY27
Public School Open Enrollment	\$8,962	\$9,445	\$9,933	\$483	\$488
Public School Open Enrollment - Special Education	\$13,814	\$14,297	\$14,785	\$483	\$488
Independent Charter Schools	\$11,729	\$11,729	\$12,400*	\$0	\$571
Private School Parental Choice (grades K-8)	\$10,237	\$10,237	\$10,237	\$0	\$0
Private School Parental Choice (grades 9-12)	\$12,731	\$11,700	\$12,400*	\$(1,031)	\$600
Special Needs Scholarship Program (full scholarship)	\$15,409	\$14,297	\$14,785	\$(1,112)	\$488

*For FY27, the per pupil payment amount is to be equal to the low revenue ceiling (LRC) amount for school districts, which is estimated at \$12,400 for the 2026-27 school year (FY27). See [DIN 6000](#) – General Equalization Aid and Revenue Limits.

The department’s recommendation are based on methods described below for adjusting per pupil payments.

The inter-district public school Open Enrollment (OE) program allows parents to apply for their children to attend public school in a school district other than the one in which they reside. Pupils attending a public school in a school district other than the one in which they reside are counted by their school district for purposes of state general aid and school district revenue limits. However, a transfer of aid occurs on behalf of open-enrolled pupils, from the resident school district to the non-resident school district.

Public School Open Enrollment (OE) – beginning in the FY26 school year, adjust the full-time OE transfer payment amount by adding the change in the base payment under the Per Pupil Aid program (\$58 in FY26 and \$50 in FY27) to the per pupil revenue limit adjustment for school districts (\$425 in FY26 and \$438 [rounded] in FY27).

Based on the department’s proposal for Per Pupil Aid and for school district revenue limit adjustments, the resulting adjustments would be \$483 in FY26 and \$488 in FY27. These adjustments would apply to the full-time OE transfer payment for non-Special Education students and for the OE payments for Special Education students.

- FY26: the full-time OE transfer amount would be \$9,445 in FY26 and the OE-Special Education transfer amount would be \$14,297.

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- FY27: the full-time OE transfer amount would be \$9,933 in FY26 and the OE-Special Education transfer amount would be \$14,785.

Independent charter schools, sometimes referred to as 2r or 2x charter schools, are charter schools that are not authorized by a public school district – rather, they are authorized by entities specified in state law. Although they are not connected to a school district, ICS are public schools.

Independent Charter Schools (ICS) – beginning in the FY26 school year, set the per pupil payment equal to the greater of the payments for ICS in the prior school year or the low revenue ceiling (LRC) amount applicable to school districts in the current year.

- FY26: maintain the payment at \$11,729, which is greater than the estimated LRC for school districts in FY26 (\$11,700).
- FY27: increase the payment to \$12,400, which is equal to the estimated LRC for school districts in FY27.
- Beginning in FY28, eliminate the current law method for establishing the year-over-year change to the per pupil payments and instead, index the per pupil payment for ICS to the LRC applicable to school districts each year.

See [DIN 6070](#).

The Private School Choice Programs include the Milwaukee Parental Choice Program (MPCP), the Racine Parental Choice Program (RPCP), and the Wisconsin Parental Choice Program or statewide program (WPCP). Schools participating in these programs receive a state aid payment for each eligible student on behalf of the student's parent or guardian. Determination of which program a student is eligible for is based on where in Wisconsin a student resides.

- Students residing in the City of Milwaukee are eligible to apply to the MPCP.
- Students residing in the Racine Unified School District are eligible to apply to the RPCP.
- Student residing outside of the City of Milwaukee and the Racine Unified school district are eligible to apply to the WPCP.

Student eligibility, which is established by state law, varies for each program. Student eligibility is a combination of student residence, income and prior year attendance. There is also an age requirement that must be met for grades K4, K5, and 1.

Private School Parental Choice Programs (choice schools) – for pupils in grades K through 8, maintain the current law per pupil payment at \$10,237 for FY26 and FY27. For pupils in grades 9 through 12, set equal to the lesser of the payments for choice pupils (grades 9-

12) in the prior school year or the low revenue ceiling (LRC) amount applicable to school districts in the current year.

- FY26: set the choice school (9-12) payment to \$11,700, which is equal to the estimated LRC for school districts in FY26.
- FY27: set the choice school (9-12) payment to \$12,400 in FY27, which is equal to the estimated LRC for school districts in FY27.
- Effective with FY26, eliminate the current law method for establishing the year-over-year change to the per pupil payments for choice schools (all grades); the adjustment to the per pupil payment amount would be addressed every two years as part of the state biennial budget process.

See DINs [6071](#) and [6072](#).

The Special Needs Scholarship Program (SNSP) allows a student with a disability, who meets certain eligibility requirements, to receive a state-funded scholarship to attend a participating private school.

Special Needs Scholarship Program (SNSP) – beginning in the FY26 school year, set the per pupil payment equal to the full-time transfer amount for pupils participating in the public school open enrollment program for student with Individualized Education Programs (IEPs), i.e., the transfer amount for Special Education open enrollment transfers.

- FY26: set the SNSP payment to \$14,297 which is equal to the department’s proposal for the full-time transfer amount for Open Enrollment – Special Education.

FY26: set the SNSP payment to \$14,297 which is equal to the department’s proposal for the full-time transfer amount for Open Enrollment – Special Education.

See DIN [6073](#).

DECISION ITEM 6070 – INDEPENDENT CHARTER SCHOOLS - REESTIMATE

218 – Charter schools (2r)

s. 20.255 (2)(fm)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$121,698,500	\$132,730,900
Less Base	\$115,485,600	\$115,485,600
Requested Change	\$6,212,900	\$17,245,300

289 – Charter schools; office of educational opportunity (2x)

s. 20.255 (2)(fp)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$26,513,700	\$29,624,600
Less Base	\$31,504,100	\$31,504,100
Requested Change	\$(4,990,400)	\$(1,879,500)

Request

The department requests an increase of \$6,212,900 GPR in FY26 and \$17,245,300 GPR in FY27 in the appropriation for independent charter schools (ICS) under Wis. Stat. sec. 20.255 (2)(fm) [“2r” charter schools]. The department also requests a decrease of \$4,990,400 GPR in FY26 and a decrease of \$1,879,500 in the appropriation for ICS under Wis. Stat. sec. 20.255 (2)(x). The requested changes reflect enrollment estimates and the department’s proposal for per pupil payments in FY26 and FY27.

Background

Independent charter schools, sometimes referred to as 2r or 2x charter schools, are charter schools that are not authorized by a public school district – rather, they are authorized by entities specified in state law. Although they are not connected to a school district, ICS are public schools.

Legacy “2r” ICS include those authorized by the common council of the city of Milwaukee, the chancellor of the University of Wisconsin-Milwaukee, the chancellor of the University of Wisconsin-Parkside, the Milwaukee area technical college district board.

New authorizer “2r” ICS include those authorized by a technical college district board (other than the Milwaukee area technical college district board), a chancellor of any institution in the University of Wisconsin System (other than the University of Wisconsin-Milwaukee and the University of Wisconsin-Parkside), the county executive of Waukesha County, the college of Menominee Nation, and the Lac Courte Oreilles Ojibwa community college. New authorizer “2x” ICS include those authorized by the Office of Educational Opportunity with the University of Wisconsin System.

All ICS receive the same payment per pupil (FTE), paid from a GPR appropriation. The payment in FY25 is \$11,729 per pupil (FTE).

For students attending a new authorizer (2r and 2x) ICS, the payments made to the ICS are offset by an aid reduction of the same amount applied to the general aid payment of the school district in which the student resides. The school district of the ICS pupil’s residence includes the ICS pupils in its revenue limit pupil count; thus, there is revenue authority associated with these ICS pupils, which impacts a school district’s allowable taxing authority under revenue limits. The aid reductions result in unexpended funds in the appropriation, which lapses back to the state’s general fund at the end of each fiscal year. In this way, the cost of the new authorizer ICS to the state is zero (costs are shifted to school district taxpayers). However, the appropriation must reflect estimated payments to ICS.

For students attending a legacy ICS, there is no such aid reduction; thus, the state bears the full cost of payments made to ICS for students attending legacy ICS.

Reestimate

The table below shows estimated enrollments, per pupil payments proposed by the department, total payments, and the change to the FY25 adjusted base in each appropriation. The department proposes that the payment to ICS remain at \$11,729 for FY26 and be set to equal the low revenue ceiling amount for school district revenue limits (\$12,400) in FY27 and after.

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<u>ICS Authorizer</u>	<u>2025-26 FTE</u>	<u>2026-27 FTE</u>
Legacy 2r ICS	9,700	10,000
New Authorizer 2r ICS	588	621
Subtotal	10,288	10,621
OEO/New 2x ICS	2,252	2,379
Subtotal	2,252	2,379
	<u>FY26 Cost</u>	<u>FY27 Cost</u>
Per Pupil Payment	\$11,729	\$12,400
Summer school (2r)	\$1,030,500	\$1,030,500
Summer school (2x)	\$100,000	\$125,000
Legacy (2r) s. 20.255 (2)(fm) / 218	\$121,698,500	\$132,730,900
FY25 Base Appr.	\$115,485,600	\$115,485,600
Requested change	\$6,212,900	\$17,245,300
New (2x) s.20.255 (2)(fp) / 289	\$26,513,700	\$29,624,600
FY25 Base Appr.	\$31,504,100	\$31,504,100
Requested change	\$(4,990,400)	\$(1,879,500)

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6071 – MILWAUKEE PRIVATE SCHOOL PARENTAL CHOICE PROGRAM - REESTIMATE

235 – Milwaukee parental choice program

s. 20.255 (2)(fu)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$314,726,800	\$334,729,800
Less Base	\$313,658,100	\$313,658,100
Requested Change	\$1,068,700	\$21,071,700

Request

The department requests an increase of \$1,068,700 GPR in FY26 and \$21,071,700 GPR in FY27 in the appropriation for the Milwaukee Parental Choice Program. The requested changes reflect enrollment estimates and the department’s proposal for per pupil payments in FY26 and FY27.

Background

Private schools participating in the Milwaukee Parental Choice Program (MPCP) receive a flat dollar amount for each pupil (1.0 FTE), though there are two payment levels. For the 2024-25 school year, the payments are \$10,237 for pupils in 4K through grade 8 and \$12,731 for pupils in grades 9 through 12.

The department proposes that the payment to private schools participating in the MPCP remain at \$10,237 for pupils in 4K through grade 8 for FY26 and FY27, and that the payment for pupils in grades 9 through 12 be set to equal the low revenue ceiling amount for school district revenue limits: \$11,700 in FY26 and \$12,400 in FY27.

The department does not propose a mechanism for adjusting the per pupil payments beyond FY27; rather, the department suggests that the method for adjusting the payments should be reassessed and addressed as part of the 2027-29 biennial budget process (or potentially, as separate legislation during the 2025-26 legislative session).

Reestimate

The table below shows estimated enrollments, per pupil payments proposed by the department, total payments, and the change to the FY25 adjusted base in each appropriation.

DPI 2025-27 BIENNIAL BUDGET REQUEST

MPCP	2025-26 FTE	2026-27 FTE
Pupils in grades K-8	21,570	22,220
Pupils in grades 9-12	7,870	8,470
Total	29,440	30,690
	FY26	FY27
Pupils in grades K-8	\$10,237	\$10,237
Pupils in grades 9-12	\$11,700	\$12,400
Payments (K-8)	\$220,812,100	\$227,466,100
Payments (9-12)	\$92,079,000	\$105,028,000
Summer School	\$1,835,700	\$2,235,700
Total Payments	\$314,726,800	\$333,882,800
FY25 Base	\$313,658,100	\$313,658,100
Requested change	\$1,068,700	\$21,071,700

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6072 – RACINE AND WISCONSIN PRIVATE SCHOOL PARENTAL CHOICE PROGRAMS - REESTIMATE

224 – Parental choice program for eligible school districts and other school districts

s. 20.255 (2)(fr)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$292,113,400	\$333,960,900
Less Base	\$275,299,900	\$275,299,900
Requested Change	\$16,813,500	\$58,661,000

Request

The department requests an increase of \$16,813,500 GPR in FY26 and \$58,661,000 GPR in FY27 in the appropriation for the Racine Parental Choice Program (RPCP) and the Wisconsin Parental Choice Program (WPCP). The requested changes reflect enrollment estimates and the department’s proposal for per pupil payments in FY26 and FY27.

Background

Private schools participating in the RPCP and WPCP receive a flat dollar amount for each pupil (1.0 FTE), though there are two payment levels. For the 2024-25 school year, the payments are \$10,237 for pupils in 4K through grade 8 and \$12,731 for pupils in grades 9 through 12.

Under the RPCP and the WPCP, pupils who began participation in either program in 2015-16 or later are referred to as “incoming” pupils. For these pupils, the department makes payments to the private schools and then, as required under state law, must reduce the state general aid payments of the school district in which the incoming RPCP / WPCP pupils reside. The school district receives a revenue limit adjustment equal to the amount of the RPCP / WPCP aid reduction. This allows the school district to levy taxes to offset the general aid reduction; thus, to the extent that a school district levies to its full taxing authority, the cost of the RPCP / WPCP program (for the incoming pupils) is borne by taxpayers of the school district.

The aid reductions result in unexpended funds in the appropriation for state general aid, which lapses back to the state’s general fund at the end of each fiscal year. In this way, the cost of the incoming RPCP / WPCP pupils to the state is zero (cost is shifted to school district taxpayers). However, the appropriation must reflect estimated payments.

DPI 2025-27 BIENNIAL BUDGET REQUEST

For pupils who were already participating in the RPCP / WPCP prior to 2015-16 (“legacy” pupils) there is no aid reduction and offsetting revenue limit adjustment (i.e., the state bears the full cost for legacy pupils).

The department proposes that the payment to private schools participating in the RPCP and WPCP remain at \$10,237 for pupils in 4K through grade 8 for FY26 and FY27, and that the payment for pupils in grades 9 through 12 be set to equal the low revenue ceiling amount for school district revenue limits: \$11,700 in FY26 and \$12,400 in FY27.

The department does not propose a mechanism for adjusting the per pupil payments beyond FY27; rather, the department suggests that the method for adjusting the payments should be reassessed and addressed as part of the 2027-29 biennial budget process (or potentially, as separate legislation during the 2025-26 legislative session).

Reestimate

The table below shows estimated enrollments, per pupil payments proposed by the department, total payments, and the change to the FY25 adjusted base in each appropriation.

<u>RPCP & WPCP</u>	<u>2025-26 FTE</u>	<u>2026-27 FTE</u>
Pupils in grades K-8	21,520	24,170
Pupils in grades 9-12	6,090	6,915
Total	27,610	31,085
	<u>FY26</u>	<u>FY27</u>
Pupils in grades K-8	\$10,237	\$10,237
Pupils in grades 9-12	\$11,700	\$12,400
Payments (K-8)	\$220,300,200	\$247,428,300
Payments (9-12)	\$71,253,000	\$85,746,000
Summer School	\$560,200	\$786,600
Total Payments	\$292,113,400	\$333,960,900
FY25 Base	\$275,299,900	\$275,299,900
Requested change	\$16,813,500	\$58,661,000

Statutory Language

The department is proposing statutory language related to this request.

DECISION ITEM 6073 – SPECIAL NEEDS SCHOLARSHIP PROGRAM – REESTIMATE

250 – Special needs scholarship program

s. 20.255 (2)(az)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$47,898,300	\$55,469,800
Less Base	\$45,143,200	\$45,143,200
Requested Change	\$2,755,100	\$10,326,600

Request

The department requests an increase of \$2,755,100 GPR in FY26 and \$10,326,600 GPR in FY27 in the appropriation for the Special Needs Scholarship Program. The requested changes reflect enrollment estimates and the department’s proposal for per pupil payments in FY26 and FY27.

Background

The Special Needs Scholarship Program (SNSP) allows a student with a disability, who meets certain eligibility requirements, to receive a state-funded scholarship to attend a participating private school. Private schools participating in the SNSP receive a flat dollar amount for each pupil receiving a full scholarship (1.0 FTE), which is \$15,409 for the 2024-25. Some pupils are eligible for a partial scholarship, in which case the private school receives the same payment that private schools participating in the MPCP, RPCP, or the WPCP receive (\$10,237 for K-8 pupils and \$12,731 for 9-12 pupils, 2024-25 school year).

Under the SNSP, the department makes payments to the private schools and then, as required under state law, must reduce the state general aid payments of the school district in which the SNSP pupils reside. The school district receives a revenue limit adjustment equal to the amount of the SNSP aid reduction. This allows the school district to levy taxes to offset the general aid reduction; thus, to the extent that a school district levies to its full taxing authority, the cost of the SNSP is borne by taxpayers of the school district.

The aid reductions result in unexpended funds in the appropriation for state general aid, which lapses back to the state’s general fund at the end of each fiscal year. In this way, the cost to the state for most pupils participating in the SNSP is zero – see below for exception for “actual cost” basis for payments (i.e., cost is shifted to school district taxpayers). However, the appropriation must reflect estimated payments.

DPI 2025-27 BIENNIAL BUDGET REQUEST

The department proposes that the payment to private schools participating in the SNSP be set to equal the full time transfer payment amount for pupils enrolled in a public school under the Open Enrollment program for students with disabilities (i.e., Special Education Open Enrollment, or SEOE). The full time transfer amount for SEOE pupils is \$13,814 in the 2024-25 school year and would be equal to \$14,297 in FY26 and \$14,785 in FY27 under the department's proposal.

The department does not propose a mechanism for adjusting the per pupil payments beyond FY27; rather, the department suggests that the method for adjusting the payments should be reassessed and addressed as part of the 2027-29 biennial budget process (or potentially, as separate legislation during the 2025-26 legislative session).

Reestimate

The table below shows estimated enrollments, per pupil payments proposed by the department, total payments, and the change to the FY25 adjusted base in each appropriation.

SNSP	2025-26 FTE	2026-27 FTE
Full scholarship	2,960	3,310
Partial scholarship (K-8)	430	500
Partial scholarship (9-12)	50	60
Total	3,440	3,870
	FY26	FY27
Full scholarship	\$14,297	\$14,785
Partial scholarship (K-8)	\$10,237	\$10,237
Partial scholarship (9-12)	\$11,700	\$12,400
Payments – full scholarship	\$42,319,120	\$48,938,350
Payments – partial (K-8)	\$4,401,910	\$5,118,500
Payments – partial (9-12)	\$585,000	\$744,000
Summer School	\$145,600	\$169,360
Actual Cost (<i>see below</i>)	\$446,700	\$499,600
Total Payments	\$47,898,300	\$55,469,800
FY25 Base	\$45,143,200	\$45,143,200
Requested change	\$2,755,100	\$10,326,600

Actual Cost Basis for Payments for Private Schools

Under current law (since the 2018-19 school year), a private school may submit a financial statement, along with documentation, disclosing the actual costs for educating an SNSP

student to the department. The department is required to share the statement of actual cost with the student's resident school district.

- If the actual costs included on the statement are greater than the statutory payment under the SNSP program, then, in the following fiscal year, the general state aid reduction incurred by the resident school district to pay the private school for the SNSP will be equal to the actual cost on the statement for that SNSP student, up to an amount equal to 150 percent of the statutory payment under the SNSP. The department then must pay the private school the actual cost amount in the following year, up to 150 percent of the statutory payment (offset by the aid reduction to the resident school district)
- If the actual cost exceeds that amount, the department must also provide aid equal to 90 percent of the actual costs that exceed the aid reduction incurred by the resident school district. The school district of residence receives a revenue limit exemption equal to the aid reduction amount (thus, the aid loss can be made up via the district's tax levy).

The provisions related to the payments create administrative and operational issues for schools, parents, school districts, and for the department. Specifically, combining a prior year cost payment requirement with a current year payment requirement creates financial hardship and uncertainty for schools and districts. Additionally, neither the department nor the school district of residence have the authority to question the contents of the financial statement. That is, there is no process for the statements to be reviewed, or for the data to be verified or audited. This is inconsistent with every other state aid program.

The department requests the repeal of changes that were made in prior legislative Acts that provide for an "actual cost" basis for payments to private schools under the SNSP and for Special Education Open Enrollment.

Statutory Language

The department is proposing statutory language related to this request.

Relevant Statutes

Wis. Stat. sec. 115.7915 (4c) [and related cross-references]

Wis. Stat. sec. 118.51 (12) [and related cross-references]

The provisions related to the payments based on actual cost statements create administrative and operational issues, and create uncertainty for schools, parents, school districts, and the department. Specifically, combining a prior year cost payment requirement with a current year payment requirement creates financial hardship and uncertainty for schools and districts.

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PUBLIC LIBRARIES

DECISION ITEM 5001 – PUBLIC LIBRARY SYSTEM AID

361 – Aid to public library systems

s. 20.255 (3)(qm)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$26,013,100	\$28,013,100
Less Base	\$24,013,100	\$24,013,100
Requested Change	\$2,000,000	\$4,000,000

Request

The department requests an increase of \$2,000,000 SEG in FY26 and \$4,000,000 SEG in FY27, for the appropriation for aid to public library systems to support the operations and maintenance of public library services in Wisconsin. Public library system aid is supported with revenue transferred to the department from the Universal Service Fund (USF), one of the state’s segregated (SEG) funds.

Background

There are 15 public library systems in Wisconsin. Over the past 30 years, these systems have developed strong programs of service for their member libraries, including resource sharing and open access for all state residents. The Public Library System Aid Program is the primary state mechanism to support public library services in Wisconsin.

Aid is paid to library systems based on the formula specified in Wis. Stat. sec. 43.24. Each system must have on file a plan approved by the department for the use of state aid it will receive as a condition of receiving aid. No more than 20 percent of the aid received can be used for administrative purposes.

Prior to the passage of 2017 Wisconsin Act 59 (2017 Act 59, the 2017-19 biennial budget), state statutes required the department to include in its biennial budget submission a request for a funding adjustment for public library system aid equal to 13 percent of (estimated) prior year local and county expenditures for all public library systems in the state. This formula was referred to as “public library system aid indexing”, structuring state aid for public library systems as a reimbursement for local and county expenditures.

Indexing was recommended by a Legislative Council study committee in 1978 at a level of 20 percent. The legislature adopted system aid at 11.25 percent for 1981. The indexing level was increased to 13 percent in 1986 by the legislature, as a result of the state superintendent's Task Force on Library Legislation.

The 1993-95 biennial budget bill (enacted as 1993 Wisconsin Act 16) eliminated the 13 percent indexing level. However, under 1997 Wisconsin Act 150, the indexing of public library system aid was again incorporated into state law. The department was required to include a biennial budget request to bring state funding for public library systems to the 13 percent index level. Finally, under Act 59, the indexing requirement was eliminated.

Funding History

Prior to the passage of 2003 Wisconsin Act 33 (Act 33, the 2003-05 biennial state budget), public library aids were fully funded with GPR. Under Act 33, a supplemental public library aid appropriation was created and supported by revenue from the Universal Services Fund (USF), one of the state's segregated (SEG) funds. Public library systems were funded from a combination of the two appropriations through FY09. At that time, approximately 15 percent of the total library system aid came from SEG funding; however, over the course of the next two biennia, the share of state aid funded with SEG funds increased to 33 percent, as the legislature shifted more funding from GPR to SEG.

The 2009-11 biennial budget (2009 Wisconsin Act 28) deleted the GPR appropriation entirely and the SEG appropriation was increased, becoming the sole funding source for state aid to library systems.

Under 2011 Wisconsin Act 32 (Act 32, the 2011-13 biennial budget), funding was decreased, by \$1,668,100 SEG in both FY12 and FY13, representing a 10 percent cut to the appropriation. In addition, Act 32 removed the requirement that municipalities, counties, and joint public libraries meet a maintenance of effort (MOE) requirement to maintain annual local expenditures for public libraries at the average of the prior three years as a condition for being a member of a public library system.

The legislature continued to fund state aid for public libraries at a constant level throughout the 2013-15 and 2015-17 biennia. Finally, 2017 Act 59 provided additional funding, on a one-time basis, of \$500,000 SEG in FY18 and \$1,000,000 in FY19 above the FY17 base. As directed by Act 59, the FY19 base appropriation for Public Library System Aid reverted to the FY17 level of \$15,013,100 for purposes of determining the adjusted base going into the 2019-21 biennium. However, the legislature made the FY19 increase of \$1,000,000 permanent, as part of the 2019-21 biennial budget process, so that funding was steady at \$16,013,100 in FY20 and FY21.

Then, under 2021 Act 58 (the 2021-23 biennial budget), funding for public library system aid increased to \$18,513,100 in FY22 and \$20,013,100 in FY23. Finally, under 2023 Act

19 (the 2023-25 biennial budget), funding for public library system aid increased to \$22,013,100 in FY24 and \$24,013,100 in FY25.

Estimated Cost Increases

Despite the elimination of the requirement that the department request state funding according to the indexing mechanism from prior law, there is still a tendency to frame state aid for public libraries as a percent of prior year local and county expenditures. The Appendix at the end of this DIN contains historical data on public library system expenditures and state aid.

Generally, local and county expenditures have increased over time. The state aid appropriation was flat for several years (FY12 through FY18), resulting in state aid being at or below seven percent of local and county expenditures. The modest increases in state aid that were provided in FY18 and FY19 amounted to a little more than three percent annually. But, due to the growth in local and county funded expenditures, state aid was still not above seven percent of local and county expenditures.

With the Legislature's approval of additional funding for the 2023-25 biennium, the appropriation for public library system aid has increased, to \$22,013,100 in FY24 and \$24,013,100 in FY25 – annual increases of 10.0 percent and 9.1 percent, respectively. Based on actual expenditure data for public libraries, the FY23 appropriation provided state aid equal to 8.5 percent of prior year public library expenditures. Based on estimated local and county expenditures going forward, the appropriation is projected to provide aid at 8.1 percent in FY25 and 7.8 percent in FY26 (the appropriation increased by \$2 million in FY25). If the appropriation is not increased, it is estimated to provide aid at roughly 7.8 percent in FY24 and FY25 (see Appendix).

Need for Additional State Funding

Participation in public library systems is voluntary. The present level of funding jeopardizes the current status of full participation by all libraries in the state. If public libraries do not participate, access to public library service by non-residents is reduced or eliminated. In order to ensure continued participation by all public libraries, public library systems must provide a level of service that makes participation desirable and beneficial to its member libraries. Without adequate funding, public library systems will not be able to provide this level of service.

Public libraries remain essential pillars of their communities, providing reliable information, workforce development and information for job seekers, government information, public-use computers, access to the internet, library materials, library programs, and many more services. According to the Wisconsin Library Association, libraries have identified several priorities for which additional funding increases would be directed to address workforce development, technology infrastructure, and promotion of lifelong learning. These services offered by libraries are pivotal to the communities they

serve. Additional funds could be used to expand online course offerings and technology training opportunities to help people with new careers and mid-career changes; to expand technology services to all areas of the state, such as rural or low-income communities, and to include wireless hotspots, local area networks, technology equipment for maker spaces and digitization services; and to support various activities for residents of all ages that promote lifetime learning, such as early literacy, summer reading, and STEM programs.

Proposal

The department is requesting an increase in funding aid to public library systems, by \$2,000,000 SEG in FY26 and \$4,000,000 SEG in FY27, to provide consistent state support for operations and maintenance of public library services in Wisconsin in a way that is sustainable for member libraries and the state's residents.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2025-27 BIENNIAL BUDGET REQUEST

Appendix. Expenditures, Aid Amounts, and Index Level for Public Library System Aid (CY 2009-2026, FY10-FY27)

Calendar Year	Local Expenditures	Change from Prior Year	State Fiscal Year	Chapter 20 Appropriation	Fund Source	Change in Approp.	Aid as Percent of Prior CY Expenditures	Index Level	Aid at Applicable Index Level	Funding Required to Meet Index
2009	\$211,137,195	2.64%	FY10	\$16,165,400	SEG	-3.68%	7.66%	13.0%	\$27,447,835	\$11,282,435
2010	\$215,123,445	1.89%	FY11	\$16,681,200	SEG	3.19%	7.75%	13.0%	\$27,966,048	\$11,284,848
2011	\$216,886,354	0.82%	FY12	\$15,513,100	SEG	-7.00%	7.15%	13.0%	\$28,195,226	\$12,682,126
2012	\$213,620,201	-1.51%	FY13	\$15,513,100	SEG	0.00%	7.26%	13.0%	\$27,770,626	\$12,257,526
2013	\$217,095,564	1.63%	FY14	\$15,513,100	SEG	0.00%	7.15%	13.0%	\$28,222,423	\$12,709,323
2014	\$223,379,348	2.89%	FY15	\$15,513,100	SEG	0.00%	6.94%	13.0%	\$29,039,315	\$13,526,215
2015	\$232,086,772	3.90%	FY16	\$15,513,100	SEG	0.00%	6.68%	13.0%	\$30,171,280	\$14,658,180
2016	\$225,878,850	-2.67%	FY17	\$15,513,100	SEG	0.00%	6.87%	13.0%	\$29,364,251	\$13,851,151
2017	\$243,725,991	7.90%	FY18	\$15,513,100	SEG	0.00%	6.36%	13.0%	\$31,684,379	\$16,171,279
2018	\$248,611,309	2.00%	FY19	\$16,013,100	SEG	3.22%	6.44%	13.0%	\$32,319,470	\$16,306,370
2019	\$254,868,395	2.52%	FY20	\$16,013,100	SEG	0.00%	6.28%	N/A^	N/A^	N/A^
2020	\$245,560,681	-3.65%	FY21	\$16,013,100	SEG	0.00%	6.52%	N/A^	N/A^	N/A^
2021	\$248,554,384	1.22%	FY22	\$18,513,100	SEG	15.61%	7.45%	N/A^	N/A^	N/A^
2022	\$262,079,342	5.44%	FY23	\$20,013,100	SEG	8.10%	7.64%	N/A^	N/A^	N/A^
2023-Prel.	\$271,143,774	3.46%	FY24	\$22,013,100	SEG	9.99%	8.12%	N/A^	N/A^	N/A^
2024-Est.	\$283,209,818	4.45%	FY25	\$24,013,100	SEG	9.09%	8.48%	N/A^	N/A^	N/A^
2025-Est.	\$295,812,655	4.45%	FY26	\$24,013,100	SEG	0.00%	8.12%	N/A^	N/A^	N/A^
2026-Est.	\$308,976,918	4.45%	FY27	\$24,013,100	SEG	0.00%	7.77%	N/A^	N/A^	N/A^

^ After FY19, there was no longer an applicable indexing level for purposes of requesting increases for public library system aid.

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DECISION ITEM 5002 – LIBRARY SERVICE CONTRACTS

362 – Library service contracts

s. 20.255 (3)(r)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$2,016,700	\$2,064,100
Less Base	\$1,397,500	\$1,397,500
Requested Change	\$619,200	\$666,600

Request

The department requests increases of \$619,200 SEG in FY26 and \$666,600 SEG in FY27 to fully fund the estimated costs of the library service contracts maintained by the department. The library service contracts are supported with funds transferred to the department from the Universal Service Fund (USF), one of the state’s segregated (SEG) funds.

Background

This request is to fully fund estimated costs of the library service contracts that the department is required to maintain pursuant to Wis. Stat. sec. 43.03 (6) and (7). Under this statute, the department is required to contract for services with libraries and other resource providers inside and outside of this state to serve as resources of specialized library materials and information that are not available in public libraries or the library operated by the department’s Library Services Team (formerly the Resources for Libraries and Lifelong Learning Team). The department contracts with five providers: the Milwaukee Public Library (MPL), the University of Wisconsin-Madison (UW-Madison), the Wisconsin Talking Book and Braille Library (WTBBL), the Cooperative Children’s Book Center (CCBC), and Auto-Graphics (AG).

The UW-Madison and MPL lend materials to residents living in all parts of the state in response to requests forwarded by the RL&LL staff or public library systems. The contracts with UW-Madison and MPL ensure access to the major collections and unique materials held by these libraries for patrons statewide. Funds are used to pay for staff to locate, retrieve, ship and shelve materials, and for supplies and postage to ship to those libraries that are not participating in the statewide delivery service.

Under current law, the department is required to enter into a contract annually with the public library in a first class city (Milwaukee), for the provision of library services to physically handicapped persons, including the blind and physically handicapped. Since

1961, this contract has been maintained with the WTBBL located in the MPL, which provides its space without charge. WTBBL provides specialized services to certified blind and physically handicapped persons throughout the state. The Library of Congress provides the recorded and braille materials (estimated at an annual value of \$376,700), but the state is obligated to provide for processing, maintenance, and circulation.

The CCBC is a children's and young adult literature book examination center located on the UW-Madison campus providing unique resources and reference services to adults whose studies and work intersects with books for youth. Funding through the contract with the department supports the CCBC in providing information, outreach, and continuing education opportunities for Wisconsin public and school librarians, teachers, and others throughout the state.

Auto-Graphics is a library software company specializing in library management and resource sharing platforms. WISCAT, Wisconsin's Interlibrary Loan platform, utilizes their SHAREit product as the foundational software platform for ILL in Wisconsin. This software also includes authentication services that are needed to verify that only Wisconsin residents can access the licensed electronic information content in BadgerLink, a requirement in all BadgerLink contracts.

This software has been procured using federal funding dating back to 2006, but as it is supporting statutorily mandated activities of the department, it would be more secure to utilize state funding to ensure access to physical and electronic resources for all Wisconsin residents.

Funding History

The budget for the library services contracts has undergone several major changes in the past two decades. The 2003-05 biennial budget reduced the appropriation for the contracts by \$154,800 GPR for both FY04 and FY05. Funding remained flat for several years, until the 2007-09 biennial budget provided increases of \$257,300 GPR in FY08 and \$220,300 GPR in FY09. These increases allowed the department to maintain existing services and to purchase a Digital Talking Books server.

Under 2009 Wisconsin Act 28 (Act 28, the 2009-11 biennial budget), the GPR funding for the contracts was replaced with SEG funds from the USF. Act 28 also provided an increase for the library service contracts of \$37,100 SEG in FY10 and \$72,600 SEG in FY11. The increases allowed the department to maintain existing services.

Funding for the contracts has been modified several times in the past during the state's biennial budget process. These changes reflected the estimated costs to continue for ongoing services under the library service contracts. Table 1 below presents the library service contracts appropriation history since FY14.

Table 1. Library Service Contracts Appropriation History, FY20 through FY25

Year	Appropriation
FY20	\$1,307,500
FY21	\$1,342,400
FY22	\$1,355,300
FY23-FY24	\$1,367,700
FY25	\$1,397,500

The projected increases to the library service contracts for FY24 and FY25 are driven by general operating cost increases among the four contract entities, as shown in Table 2 below. If the funding increase requested by the department is not provided, the total number of items that can be requested from the MPL and the UW libraries will be capped. Requests are sent to all of the other libraries that don't charge for lending before they are sent to the MPL and UW. If borrowing from the MPL and UW libraries has to be capped, the impact will be felt by library patrons – Wisconsin residents may be denied access to the various materials available only from the MPL and UW libraries.

Table 2. Library Service Contracts in FY26 and FY27 Budget Projection

Contract	FY 25 Base	FY26 Projection	FY27 Projection
UW-Madison	\$80,000	\$80,000	\$80,000
MPL-ILL	\$192,100	\$226,700	\$234,600
MPL-WTBBL	\$954,700	\$1,100,300	\$1,135,600
CCBC	\$170,700	\$209,700	\$213,900
Auto-Graphics	\$0	\$400,000	\$400,000
Total Costs (Rounded)	\$1,397,500	\$2,016,700	\$2,064,100
Change to FY25 Base		\$1,397,500	\$1,397,500
DPI Request		\$619,200	\$666,600

Proposal

The department requests \$619,200 SEG in FY26 and \$666,600 SEG in FY27 to fully fund the estimated costs of the library service contracts maintained by the department

Statutory Language

The department is not requesting statutory language changes for this request.

DECISION ITEM 5003 – BADGERLINK AND NEWSLINE FOR THE BLIND

360 – Periodical and reference information databases; newsline for the blind

s. 20.255 (3)(q)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$3,486,300	\$3,582,900
Less Base	\$3,486,300	\$3,486,300
Requested Change	\$0	\$96,600

Request

The department requests an increase of \$96,600 SEG in FY27 to increase funding for the contracts with all current BadgerLink vendors and to maintain the current level of services through Newsline for the Blind. Both services are supported with revenue transferred to the department from the Universal Service Fund (USF), one of the state’s segregated (SEG) funds.

Background

BadgerLink

BadgerLink is Wisconsin’s online library which provides access to licensed content such as magazines, newspapers, scholarly articles, videos, images, and music. BadgerLink began operation in July 1998, with 3,500 full text magazines and other resources from EBSCO, as well as about 40 newspapers from ProQuest. BadgerLink provides increased access to information resources for Wisconsin residents in cooperation with the state’s public, school, academic, and special libraries. Funding for BadgerLink has come from SEG funds since the early 2000’s; state support for BadgerLink is provided in the same appropriation as for Newsline for the Blind.

The department currently contracts with six vendors (Britannica Education, EBSCO, Gale/Cengage Learning, ProQuest, TeachingBooks, and Wisconsin Newspaper Association) to provide access to a large volume of full-text information. Users can search approximately 20,000 full-text magazines, journals, newspapers, reference materials, and other specialized information sources. Included are over 8,000 full text magazines and journals, over 1,500 newspapers and newswires, and approximately 6,800 full textbooks. Full text articles are taken from 2,900 historical newspaper titles.

BadgerLink vendors provide access several other resources: automobile repair manuals, company profiles, country economic reports, industrial reports and yearbooks,

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biographies, primary historical documents, charts, images, schematics, maps, poems, essays, speeches, plays, short stories, author audio programs and book readings, author video programs, book reviews or discussion guides, and many other full text resources not available through regular internet search engines.

When these resources are available through search engines such as Google, it is because Wisconsin has licensed the content to appear when searched through these search engines. BadgerLink also connects users to WISCAT (the online catalog of Wisconsin library holdings), OCLC WorldCat (an international database of library holdings), directories of libraries, digitized library collections, and other information.

Statewide contracts provide cost savings. Local library staff do not have to review vendor services and bids, negotiate with the vendor, pay invoices, monitor vendor performance, and arrange for training. If libraries, schools, universities, and other organizations had to purchase the databases in BadgerLink directly, it is estimated that it would cost them approximately \$73-75 million.

Newsline for the Blind

Newsline for the Blind (Newsline) provides access to newspapers on a daily basis for people who cannot read print newspapers, using an automated electronic voice that can be accessed using a regular touch-tone telephone. The Regional Library for the Blind and Physically Handicapped (RLBPH) assists in providing the service by registering new users, providing technical support, and placing Wisconsin announcements and local information on the Newsline local channel.

Newsline provides access to 14 Wisconsin newspapers and over 365 national newspapers, news wire services, and some national magazines. The Wisconsin newspapers that are included in Newsline are: Appleton Post-Crescent, Fond du Lac Reporter, Green Bay Press-Gazette, Janesville Gazette, Herald Time Reporter (Manitowoc), La Crosse Tribune, Marshfield News-Herald, Milwaukee Journal Sentinel, Oshkosh Northwestern, Stevens Point Journal, The Sheboygan Press, Wausau Daily Herald, Wisconsin Rapids Daily Tribune, and Wisconsin State Journal/The Capital Times.

Newsline currently has more than 1,365 Wisconsin users registered. The average length of a call into Newsline is 15 minutes. Both usage and length of call have declined in recent years, peaking at over 2,300 registered users in 2008 and a call length of 25 minutes.

Non-statutory language included in 1997 Wisconsin Act 27 (Act 27, the 1997-99 biennial budget) required the department to enter into a two-year contract with the National Federation for the Blind (NFB) to provide Newsline services from the Madison and Milwaukee locations. The department was directed to use USF funds transferred into the department's appropriation under Wis. Stat. sec. 20.255 (1) (ke), from the Public Service Commission (PSC), to fund the Newsline contract.

Initially, the statutes directed specific amounts be transferred to fund Newsline. However, beginning in FY02, the legislature instead enumerated the Newsline program as an allowable purpose for which USF revenues received from the PSC, in the department’s appropriation for BadgerLink, could be used.

Table 1 below presents this history of the appropriation for BadgerLink and Newsline since FY14. The appropriation amount over the years reflects the estimated costs to continue the various BadgerLink and Newsline databases and vendor contracts.

Table 1. Funding for BadgerLink and NFB

Year	Appropriation
FY14	\$2,589,900
FY15	\$2,596,500
FY16	\$2,841,800
FY17	\$2,902,200
FY18	\$2,919,100
FY19-FY20	\$2,937,500
FY21-FY23	\$3,283,300
FY24	\$3,387,300
FY25	\$3,486,300

Table 2 (following page) below shows the contracted vendors and the cost of each contract under BadgerLink, the current and projected costs under Newsline, and total costs under the appropriation. The increases for the individual line items for the BadgerLink databases reflect general inflationary increases to maintain the current level of services (i.e., no changes to service levels).

Proposal

The department requests \$96,600 SEG in FY27 to increase funding for the contracts with all current BadgerLink vendors and to maintain the current level of services offered through the Newsline for the Blind.

Statutory Language

The department is not proposing any statutory language related to this request.

Table 2. BadgerLink Contracts and Newsline for the Blind – Projected Costs

Purpose	Base Cost	Est'd Cost	Est'd Cost
	FY25	FY26	FY27
<u>Newsline for the Blind (NFB)</u>			
NFB Newsline contract	\$ 43,500	\$ 43,500	\$ 43,500
NFB Telecom	3,000	3,000	3,000
WTBBL Staff Costs (Regional Library Contract)	78,400	78,400	78,400
Newspaper Contracts	10,000	10,000	10,000
Printing	800	800	800
TOTAL NFB COSTS	\$135,700	\$135,700	\$135,700
<u>BadgerLink Databases</u>			
Britannica Education	\$490,000	\$490,000	\$514,500
EBSCO (multiple databases)	1,830,500	1,830,500	1,922,000
Gale/Cengage Learning	70,300	70,300	73,800
ProQuest (multiple databases)	301,300	307,800	495,000
TeachingBooks	98,500	98,500	98,500
Wisconsin Newspaper Association	327,000	343,400	343,400
TOTAL BADGERLINK DATABASES COSTS	\$3,117,600	\$3,140,500	\$3,447,200
Combined NFB& BadgerLink (rounded)	\$3,253,300	\$3,276,200	\$3,582,900
Chapter 20 Appropriation (FY25 Base)	\$3,486,300		
DPI request		\$0	\$96,600

DECISION ITEM 5004 – SUPPORTING FUTURE LIBRARIANS

304 – Library intern stipend payments

*s. 20.255 (3)(cL) *NEW**

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$125,000
Less Base	\$0	\$0
Requested Change	\$0	\$125,000

Request

The department requests an increase of \$125,000 GPR in FY27 in a new, sum-sufficient appropriation, for a stipend payment program to support individuals pursuing a career as a public library professional and placed as an intern in a public library setting.

Background

Workforce shortages are an issue for public libraries in the state. Public library systems are reporting increased staffing turnover rates in their member libraries, often in the smallest and most rural libraries. More specifically, data gathered by the LST shows an average 27% turnover rate of public library directors between 2021 and 2023.

While some institutions do offer bachelor's degree programs in library sciences (and one associate degree program exists), the master's degree program in library and information sciences (MLIS) is the pathway for the "professional" categorization. Further, the bachelor's and associate degrees do not factor into the current certification process for becoming professional librarians.

Currently, only federal Library Services and Technology Act (LSTA) funding is available for providing a stipend of \$3,000 for teens participating in a summer internship in a public library. Practicum students in a professional librarian preparation program are not required to be paid and, in some cases, attend class as well as working an outside job to cover living expenses.

By providing stipends for practicum students in a professional librarian preparation program, the state may remove barriers for interested individuals to enter the profession. This would allow the student to concentrate more of their time and energy on completing their studies and complete the MLIS pathway.

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In determining the library intern stipend, consideration is given to the amount of time a library intern would be working in the library (the number of hours per week and length of the internship), as well as the level of responsibility involved in their internship duties. The department indicates that these public library internships are typically structured to be project based (one discreet professional level library project over the course of the internship). That is, the internship is not intended to provide the individual with experience performing the day-to-day activities of the library. There is a significant amount of self-direction and independent work on the part of the intern.

MLIS programs do require 120 hours of work experience per internship placement. Therefore, in order to address library staffing shortages in the state, a \$5,000 stipend would provide an amount above the average of minimum hourly rates of comparable classifications for 120 hours of work. In projecting costs for the program, the department proposes a modest program of 25 placements in FY27 and will reassess the demand in future biennia.

The proposed program would provide financial assistance for individuals pursuing a course of study in a master's degree level program leading to a career as a public library professional. As with individuals engaged in student teaching as part of their education degree program, the proposed stipend would be paid to individuals who are working in a public library internship setting as part a master's degree program in library and information sciences (MLIS).

Proposal

To address the library staffing shortage, the department proposes include a request for state funding to support library internships as part of its 2025-27 budget request. This proposal is similar to what is being proposed for student teachers (see the "[Supporting Future Educators](#)" DIN #6020).

The department requests an increase of \$125,000 GPR in FY27 for a stipend payment program to support individuals pursuing a career as a public library professional and placed as an intern in a public library setting. The proposed program would provide financial assistance in the amount of \$5,000 per placement for individuals pursuing a course of study in a master's degree level program leading to a career as a public library professional. The department requests that the new appropriation be created as sum-sufficient appropriation.

Statutory Language

The department is proposing statutory language related to this request.

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AIDS TO OTHER ORGANIZATIONS

DECISION ITEM 7001 – ADULT LITERACY GRANTS

301 – Adult literacy grants

s. 20.255 (3)(b)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$150,000	\$150,000
Less Base	\$83,200	\$83,200
Requested Change	\$66,800	\$66,800

Request

The department requests an increase of \$66,800 GPR in FY26 and \$66,800 GPR in FY27 in the appropriation for adult literacy grants.

Background

The department awards a grant in the amount of \$83,200 annually from the appropriation under Wis. Stat. sec. 20.255 (3)(b). As directed in current law, the department awards the grant to a nonprofit organization to support programs that train community-based adult literacy staff and to establish new volunteer-based programs in areas of this state that have a demonstrated need for adult literacy services.

Since FY17, the funding for the adult literacy grant has been awarded to Wisconsin Literacy, Inc. The organization’s informational material indicates that Wisconsin Literacy, Inc. supports member literacy agencies statewide and advocates for more resources throughout the field of literacy.⁸⁸

The organization works with local literacy agencies to build their capacity to provide effective literacy services, and as part of its mission generally, provides literacy program support, health literacy workshops, various trainings, workforce support, and advocacy for adult literacy. According to the Wisconsin Literacy, Inc. website, the literacy support provided by the organization reaches 88% of Wisconsin counties through service to local literacy members.

⁸⁸ Wisconsin Literacy, Inc., website: <https://wisconsinliteracy.org/about/>

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Wisconsin Literacy Inc. partners with several other organizations, including this department (DPI), several Wisconsin state agencies – Children and Families, Health Services, Corrections, and Workforce Development – as well as the Wisconsin Technical College System, and numerous healthcare organizations. These partnerships work to streamline services and better prepare adult learner to advance their education, health, and careers.

The appropriation for adult literacy grants has been flat funded since FY14. Under 2013 Act 20 (the 2013-15 biennial budget), the Legislature increased funding from \$62,400 to \$83,200 (current level), effective in FY14. Thus, the grant has remained flat for 10 years, despite general increases in inflation during that period. An increase in funding from the state grant would provide additional resources for Wisconsin Literacy, Inc. to provide services to more individuals throughout the state.

Proposal

The department requests an increase of \$66,800 GPR in FY26 and \$66,800 GPR in FY27 in the appropriation for adult literacy grants.

Statutory Language

The department is not proposing statutory language related to this request.

DECISION ITEM 7002 – ARTS FOR ALL

309 – Arts for all *

s. 20.255 (3)(fa) Arts for all *

**Formerly, “Very Special Arts”; requesting new title to reflect the organization’s legal name change to “Arts for All”*

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$200,000	\$200,000
Less Base	\$100,000	\$100,000
Requested Change	\$100,000	\$100,000

Request

The department requests an increase of \$100,000 GPR in FY26 and \$100,000 GPR in FY27 in the appropriation for the organization Arts for All (formerly, Very Special Arts). The department also requests the appropriation title be changed from Very Special Arts to “Arts for All” to reflect the organization’s legal name change.

Background

Arts for All, formerly known as Very Special Arts Wisconsin (i.e., AFA/VSA) is a nonprofit organization that uses dance, drama, creative writing, music, and visual art to celebrate the creative power and artistic accomplishments of children and adults with disabilities throughout Wisconsin. Incorporated in 1985, AFA/VSA programs began with a one-day festival for school-aged children. The program has grown through the years and now, statewide initiatives serve individuals across the age spectrum. The organization’s choirs, artist residencies, and art classes and workshops provide an outlet for creative expression and unlimited possibilities for personal, academic, and professional success. Exhibitions, performances, and special events showcase the talents of people with disabilities.

Under 1991 Act 39 (the 1991-93 biennial budget), a state appropriation was created within the department’s Chapter 20 appropriations schedule, in the amount of \$75,000 GPR annually for AFA/VSA, beginning in FY92. The state appropriation for the organization remained at this level until it was reduced to \$70,300 beginning in FY10, under the 2009 Act 28 (2009-11 biennial budget), as part of across-the-board reductions to most non-federal appropriations (reduction of \$4,700, or 6.3 percent). The appropriation was reduced once again, to \$63,300 in FY12, under 2011 Act 32, again as part of across-the board reductions (reduction of \$7,000, or 10 percent).

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Despite the increase provided to under 2019 Act 19, state funding support for VSA/AFA has not been significantly increased above its initial base level provided in FY92. Funding for the program has remained flat since FY20:

<u>State Fiscal</u> <u>Years</u>	<u>Annual</u> <u>Appropriation</u>
FY12 - FY17:	\$63,300
FY18 - FY19:	\$75,000
FY20 - FY25:	\$100,000

This request for increased funding would provide additional resources to allow AFA/VSA to continue their outstanding programs for children and adults throughout Wisconsin.

Proposal

The department requests an increase of \$100,000 GPR in FY26 and \$100,000 GPR in FY27 in the appropriation for the organization VSA/AFA. The department also requests the appropriation title be changed from Very Special Arts to "Arts for All" to reflect the organization's legal name change

Statutory Language

The department is proposing statutory language related to this request (to change the appropriation title).

DECISION ITEM 7003 – SPECIAL OLYMPICS

308 – Special Olympics

s. 20.255 (3)(fg) Special Olympics

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$300,000	\$300,000
Less Base	\$200,000	\$200,000
Requested Change	\$100,000	\$100,000

Request

The department requests an increase of \$100,000 GPR in FY26 and \$100,000 GPR in FY27 in the appropriation for the organization Special Olympics Wisconsin.

Background

[Special Olympics Wisconsin](#) receives \$200,000,000 GPR annually from the State of Wisconsin to be used to offset their administrative costs.

Special Olympics Wisconsin provides year-round sports training and athletic competition in a variety of Olympic type sports for children and adults with intellectual disabilities. The organization gives athletes the opportunity to develop physical fitness, demonstrate courage, experience joy, and participate in the sharing of gifts, skills, and friendship with their families, other Special Olympics Wisconsin athletes, and the community.

Since 1979, Special Olympics Wisconsin has used its annual allocation to offset general administrative costs to fulfill its mission. It has grown from a grass-roots organization to a staff of 37 paid individuals in seven cities across Wisconsin. The staff manage over 10,000 volunteers; nearly 10,000 athletes from ages two to 80, with and without intellectual disabilities; nearly 200 local training programs run by volunteers; and nearly 80 competitions year-round.

The state has appropriated funding for Special Olympics Wisconsin in the department’s Chapter 20 appropriations schedule since at least FY84. The initial appropriation was \$75,000 and remained at that level through FY11. It was reduced to \$67,500 beginning in FY12, under 2011 Act 32, as part of across-the board reductions (reduction of \$7,500, or 10 percent). However, the appropriation was subsequently increased by \$25,000 under 2019 Act 9, and then again, by \$100,000 under 2023 Act 19. The appropriation is now \$200,000 annually:

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<u>State Fiscal</u> <u>Years</u>	<u>Annual</u> <u>Appropriation</u>
FY12 – FY13:	\$67,500
FY14 – FY19:	\$75,000
FY20 – FY23:	\$100,000
FY24 – FY25:	\$200,000

This requested increase would provide the resources that will help Special Olympics Wisconsin continue their outstanding programs for children and adults throughout the state.

Proposal

The department requests an increase of \$100,000 GPR in FY26 and \$100,000 GPR in FY27 in the appropriation for the organization Special Olympics.

Statutory Language

The department is not proposing statutory language related to this request.

AGENCY OPERATIONS

DECISION ITEM 7030 – IT SYSTEMS MODERNIZATIONS

117 – Information technology; systems modernization

s. 20.255 (1)(en) *NEW*

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$0
Less Base	\$5,000,000	\$1,000,000
Requested Change	\$5,000,000	\$1,000,000

Request

The department requests the creation of a new GPR continuing appropriation to be used to support the work of modernizing several major information technology (IT) systems maintained by the department for administering core agency functions. The department requests \$5,000,000 GPR in FY26 and \$1,000,000 in FY27 in this new appropriation.

Projects

Background Check Hub Refactor

Background:

The Licensing Educator Advancement and Development (LEAD) team has identified the need to improve the efficiency of background checks within the ELO (Educator Licensing Online) system. This initiative, known as the Background Check Hub Refactor, aims to address several issues within the current process by displaying individual components of the background check separately. This will enhance data management flexibility, visibility, and efficiency.

Educator Licensing Online System

Background:

The agency’s Licensing, Educator Advancement and Development Team (LEAD) manages licensure for over 148,000 educators, processing around 50,000 license applications annually. The current Educator Licensing Online (ELO) system faces several challenges, including lack of a comprehensive user identity profile and non-integrated systems that hinder efficient application processing and communication management. The current

system operates as an application-based system. This means it does not allow for applicant-based profiles, communications or dashboard displays.

The current system also lacks an integrated ability for preparation programs to upload their completers into the system and support the application process and an ability for employers to see license application status. The proposed project aims to replace the existing system with a cloud-based educator licensing system that addresses these issues by providing a more integrated and user-friendly solution. An RFI has been deployed and an RFP will be developed to solicit bids.

Financial Dashboard

Background:

The State of Wisconsin, under Wisconsin Act 89, mandates the development of a new reporting system aimed at enhancing fiscal transparency, real-time data comparability, and improving the reporting processes for local educational agencies (LEAs) in Wisconsin. This initiative aligns with the state's commitment to provide financial support to educational agencies through a structured process governed by federal laws, state statutes, and administrative rules. The primary respondents for this project include school districts and other LEAs, the Office of the State Superintendent, the School Financial Services (SFS) team, and community stakeholders such as taxpayers and legislators.

Competitive Grant Application System

Background:

WISEgrants, the existing inhouse Federal Grants Management System used by the department since FY 2016-2017, operates to house all federal formula grant information as well as the allocation and subaward information for non-formula federal grants for purposes of meeting the requirements of the Federal Funding Accountability and Transparency Act (FFATA). Formula grants are non-competitive, with subrecipients selected by regulations and amounts awarded based on calculations dictated by federal law - in FY 2023-2024, WISEgrants processed \$629,354,934.74 in federal formula funding.

As designed, WISEgrants does not have the capacity to manage any type of federal or state grant that would require a grant application process involving open competition, collection of applications, an application review process or awarding of grants. This process is currently completed "on paper" by various teams at the department.

The Competitive Grant Application System project aims to streamline the administration of non-formula state and federal grants within the department. Currently, the process for managing these grants is complex, fragmented, and error-prone, involving various manual steps and multiple systems. This project seeks to standardize and automate the grant

application process as a module in which the department would create grant competitions, allow eligible entities to apply, create an application review process with a rubric for purposes of selection transparency regarding funds awarded by the department. Once subrecipients are selected, the fiscal management of the grants would be integrated into WISEgrants, which would utilize all existing developments - such as secure connections to the state payment system.

Open Enrollment Application Log (OPAL) Modernization

Background:

The Open Enrollment Application Log (OPAL) system is an integral component of the School Management Services, designed to manage and facilitate the open enrollment applications for public school districts in Wisconsin. Currently, OPAL is built on an older Oracle database, which has become increasingly challenging for staff to support due to its outdated infrastructure and the complexities associated with maintaining it. This system comprises approximately 100 tables with business logic and data access encapsulated in Oracle packages, making it a sizable and complex environment to manage. This proposal outlines the high-level scope and benefits of modernizing OPAL to enhance its maintainability, scalability, and integration capabilities with other department program area software solutions.

Private School Choice Programs OAS Modernization

Background:

The Private School Choice Programs Online Application System (OAS) is a critical software application used by our agency to manage and administer private school choice programs. However, the system is currently built on an outdated version of Oracle along with other older application development technologies, which has become increasingly difficult and costly for the agency's technical staff to support. This proposal outlines the high-level scope and benefits of modernizing the OAS to enhance its maintainability, scalability, and integration capabilities with other department program area software solutions.

Combining Choice Programs

Background:

The department is currently responsible for administering three separate private school parental choice programs: the Milwaukee Parental Choice Program (MPCP), the Racine Parental Choice Program (RPCP), and the Wisconsin Parental Choice Program (WPCP). Senate Bill 989 proposes to combine these programs into a single Private School Choice Program (PSCP), starting in the 2026-27 school year. The objective of this consolidation is to streamline administration, improve efficiency, and maintain consistent standards

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across the choice programs. Additionally, the bill includes modifications to the Special Needs Scholarship Program (SNSP) to align its requirements more closely with those of the consolidated PSCP.

Table 1. Projected Costs for IT Projects

PROJECT	FY26	FY27	Biennium
School Finance Dashboards	\$222,500	\$-	\$222,500
Background Check Hub Refactor	\$46,200	\$335,600	\$381,800
Support for New ELO*	\$-	\$233,200	\$233,200
Open Enrollment Application Log (OPAL) Modernization	\$403,000	\$403,000	\$806,000
Private School Choice Programs OAS Modernization	\$403,000	\$403,000	\$806,000
Combining Choice Programs	\$1,103,800	\$1,261,500	\$2,365,300
Competitive Grant Application System for DPI	\$518,000	\$518,000	\$1,036,000
TOTAL	\$2,696,500	\$3,154,300	\$5,850,800
Requested budget authority (continuing appropriation)	\$5,000,000	\$1,000,000	\$6,000,000

Proposal

The department requests \$5,000,000 GPR in FY26 and \$1,000,000 GPR in FY27 to modernize multiple existing IT systems, and to build new modules, to more efficiently administer core functions of the department, facilitate the efficient management of grants to LEAs, and to fulfill statutory responsibilities.

Statutory Language

The department is proposing statutory language related to this request to create a new appropriation.

DECISION ITEM 7031 – SUPPLIES & SERVICES INFLATIONARY INCREASE

Request

The department requests the following increases to provide a five percent increase for the supplies and services budget line for sum certain operations appropriations in the departments chapter 20 appropriations schedule (program 01 only): \$1,477,000 GPR in FY26 and FY27; \$683,400 PR in FY26 and FY27; and \$105,500 SEG in FY26 and FY27.

Table. 1 Proposed Budget Authority Increases in Operational Appropriations for Supplies and Services Inflationary Increase

Chap. 20 Program	Chap. 20 Appr.	Appropriation Name	FY26 Allocation	FY27 Allocation
1	a	General program operations	\$1,027,000	\$977,000
1	b	General program operations; WESP-DHH & WCBVI	\$50,000	\$50,000
1	dw	Pupil assessment	\$400,000	\$450,000
Subtotal for GPR Appropriations			\$1,477,000	\$1,477,000
1	hg	Personnel licensure, teacher supply	\$673,600	\$673,600
1	kd	Alcohol and other drug abuse program	\$9,300	\$9,300
1	hm	Services for drivers	\$500	\$500
Subtotal for PR Appropriations*			\$683,400	\$683,400
1	q	Digital learning collaborative	\$105,500	\$105,500
Subtotal for SEG Appropriations*			\$105,500	\$105,500

*For PR- and SEG-funded appropriations, the proposed increases would raise budget (expenditure) authority, but would not automatically provide additional revenue. The department would be able to expend the additional amounts provided the revenue stream supporting the appropriations exists:
 (1)(hg): revenue from application fees for individuals applying for an educator license and revenue associated with the teacher improvement program (internships).
 (1)(kd): revenue transferred from the WI Department of Justice, from moneys received from the penalty surcharge on court fines and forfeitures under Wis. Stat. sec. [757.05 \(2\)](#).
 (1)(hm): revenue transferred from the WI Department of Health Services, from moneys received by the Secretary of Administration [DOA] from the driver improvement surcharge on court fines and forfeitures authorized under s. [346.655](#).
 (1)(q): revenue from the Universal Services Fund.

Statutory Language

The department is not requesting statutory language related to this request.

DECISION ITEM 7032 – SUPPORT FOR STATE PROGRAMS

101 – General program operations

s. 20.255 (1)(a)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$381,800	\$564,200
Requested Position Authority	5.0 FTE	5.0 FTE

137 – Special needs scholarship program; financial audits *NEW*

s. 20.255 (1)(jb)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$85,300	\$111,100
Requested Position Authority	1.0 FTE	1.0 FTE

Request

The department requests an increase of \$381,800 GPR in FY26 and \$564,200 GPR in FY27, and the creation of 5.0 FTE GPR permanent positions, to support the existing core functions of the department. The five positions would reside in the department's GPR appropriation for general program operations and would be located across four teams in the department.

The department also requests an increase of \$85,300 PR in FY26 and \$111,100 PR in FY27, and the creation of 1.0 FTE PR permanent position, funded with a fee assessed on private schools participating in the Special Needs Scholarship Program (SNSP), to support a dedicated auditor position for the SNSP. This position would be located on the Parental Education Options (PEO) team in the Division for Finance and Management.

Requested Position Authority

GPR-Funded Positions

1. *Consultant, Career and Technical Education (CTE) team, Division for Academic Excellence.*

The department requests 1.0 FTE GPR permanent position for the CTE team, to increase capacity for program administration related to Adult Basic Education, the General Education Development (GED) and High School Equivalency Diploma (HSED), Alternative Education (Alt-Ed), and Competency-Based Education (CBE). Currently, the CTE team has just two employees dedicated to this work. One employee (Education Consultant) works on ABE, GED/HSED, and Alternative Education/CBE programs and issues. The other employee (Education Specialist) provides support across the program responsibilities. If the department's request for a new position is approved, the CTE team would have a total of two Education Consultant positions; one would focus on program administration for ABE and the GED/HSED programs, and the other would be dedicated to administering Alt-Ed and CBE programming. The existing Education Specialist position would continue to provide support two both of the Education Consultants on the CTE team.

2. *IS Systems Development Specialist, Parental Education Options (PEO) team, Division for Finance and Management.*

The department requests 1.0 FTE GPR permanent position for the PEO team to provide dedicated support to that team for information systems needs as it pertains to the programs administered by the PEO team, which includes private school parental choice programs, the Special Needs Scholarship Program (SNSP), the independent charter schools program, and the public school open enrollment program. This position would work within the PEO team to plan, develop, implement, upgrade, and support software applications used by PEO team members. The position would also assist management by implementing information system related technical policies, standards, and procedures.

3. *School Administration Consultant, Parental Education Options (PEO) team, Division for Finance and Management.*

The department requests 1.0 FTE GPR permanent position for the PEO team to provide additional support to that team dedicated to the SNSP. The program continues to grow since its creation under 2015 Wisconsin Act 55.

4. *School Administration Consultant, School Financial Services (SFS) team, Division for Finance and Management.*

The department requests 1.0 FTE GPR permanent position for the SFS team for a School Administration Consultant position that would be dedicated to working with local education agencies (LEAs) on management of various competitive grants administered by the department. In a separate DIN, the department is requesting state funding to

modernize information technology (IT) systems used for several program areas. A portion of the funding under that request would be used to develop a uniform system for managing competitive grants to LEAs (see DIN 7030). The position requested here would serve as a resource for LEAs, providing training and technical assistance in grant management. This employee in this position would not be the subject matter expert for every grant; rather, they would be familiar with relevant statutes and rules related to the grant programs and would serve as a conduit between LEAs and the department for a wide range of competitive grants. Because the grants would be overseen by program staff across the agency, the department proposes that this position be located on the SFS, where other staff who work with school financial information are located.

5. Education Consultant, Special Education (SPED) team, Division for Student Learning.

The department requests 1.0 FTE GPR permanent position for the SPED team to provide dedicated support to for LEAs with high usage of seclusion and restraint. This Education Consultant position would serve LEAs by providing training and technical assistance to LEAs regarding behavioral supports and strategies to reduce use of seclusion and restraint.

PR-Funded Position

1. Auditor (School Finance), Parental Education Options (PEO) team, Division for Finance and Management.

The department requests 1.0 FTE GPR permanent position for the PEO team to provide dedicated support for audit functions required under state law for the the SNSP. At this time, the auditor responsibilities for the SNSP are fulfilled by an employee whose position splits time between the SNSP and the other private school parental choice programs. As the SNSP and choice programs continue to grow, the department needs to build capacity to fulfill its responsibilities under the law.

The proposed funding source for this position would be program revenue (PR) generated by a fee assessed on private schools participating in the SNSP. The fee amount would be set to cover the costs of the one position funded by the fee revenue (shared among all SNSP private schools). This model is used for the private school parental choice program [see Wis. State. Sec. 20.255 (1)(j)]. The department requests that the applicable statutes be modified to authorize the department to assess and collect the fee from private schools in the SNSP, and to require the participating private schools to pay the fee.

The estimated costs for the requested positions is indicated in the table below.

Table 1. Projected Costs of New Positions

Team	Classification	FY26*				FY27			
		Salary	Fringe	S&S	Total	Salary	Fringe	S&S	Total
<i>GPR Positions</i>									
CTE	Education Consultant	49,300	20,600	15,400	85,300	65,700	27,500	17,900	111,100
PEO	IS Systems Develop Spec	53,600	22,400	16,000	92,000	71,400	29,900	18,600	119,900
PEO	School Admin Consultant	49,300	20,600	15,400	85,300	65,700	27,500	17,900	111,100
SFS	School Admin Consultant	16,400	6,900	10,500	33,800	65,700	27,500	17,900	111,100
SPEC	Education Consultant	49,300	20,600	15,400	85,300	65,700	27,500	17,900	111,100
Total GPR [s.20.255 (1)(a)]		217,900	91,100	72,700	381,700	334,200	139,900	90,200	564,300
<i>PR Positions</i>									
PEO	Auditor (School Finance)	49,300	20,600	15,400	85,300	65,700	27,500	17,900	111,100
Total PR [s.20.255 (1)(jb)]		49,300	20,600	15,400	85,300	65,700	27,500	17,900	111,100

Proposal

The department requests the creation of permanent position authority, and additional budget authority associated with the requested positions, to manage core department functions. The request is for 5.0 FTE GPR permanent positions and 1.0 FTE PR permanent positions, beginning in FY26. The associated budget authority for the requested positions includes \$381,800 GPR and \$83,300 PR in FY26; and \$564,200 GPR and \$111,100 PR in FY27, to support the requested positions.

Statutory Language

The department is proposing statutory language related to this request, to create a new appropriation and provide the department with authority to assess a fee under the SNSP to support a dedicated auditor for that program.

DECISION ITEM 7033 – TRANSFER HEAD START STATE SUPPLEMENT GRANT PROGRAM TO DEPARTMENT OF CHILDREN AND FAMILIES

273 – Head start supplement

s. 20.255 (2)(eh)

FISCAL SUMMARY		
	2025-26 Request	2026-27 Request
Requested Funding	\$0	\$0
Less Base	\$6,264,100	\$6,264,100
Requested Change	-\$6,264,100	-\$6,264,100

Request

Request that statutory authority for administering the Head Start State Supplement (HSSS) program under Wis. Stat. sec. 115.3615, and the GPR budget authority that supports the HSSS program under Wis. Stat. sec. 20.255 (2) (eh), be moved from the department to the Department of Children and Families (DCF), effective with FY26. He department requests that the GPR appropriation under Wis. Stat. sec. 20.255 (2) (eh) be eliminated, as it will be recreated in the chapter 20 appropriations schedule for DCF, in the amount of \$6,264,100 annually (the FY25 base), effective with FY26.

Statutory Language

The department is requesting statutory language related to this request.

DECISION ITEM 7034 – LICENSING OPERATIONS

122 – Personnel licensure; teacher supply, information and analysis; teacher improvement

s. 20.255 (1)(hg)

Position Authority Summary		
	2025-26 Request	2026-27 Request
Requested Permanent Position Authority	24.0 FTE	24.0 FTE
Less Base	21.0 FTE	21.0 FTE
Requested Change	3.0 FTE	3.0 FTE

Request

The department requests that the current law requirement that ten percent of licensing application fee revenue be lapsed to the state general fund at the end of each fiscal year be repealed, to allow the department to utilize the revenue from application fees to support agency operations associated with teacher licensing. The estimated revenue gained by the department as a result of eliminating the lapse is estimated at \$450,000 PR annually (FY26 and FY27).

The department also requests the creation of 3.0 FTE PR permanent positions for agency operations associated with teacher licensing and educator preparation program approval. There is no change in budget authority associated with this request because the budget authority set in the Chapter 20 schedule reflects gross (estimated) revenues; the lapse to the general fund of ten percent of licensing fees is reflected as an expenditure in the state’s accounting system. Rather than lapsing amounts to the state’s general fund, this proposal would allocate the retained revenue for the proposed positions and other operational costs (supplies and services).

Background

State law, under Wis. Stat. sec. 115.28 (7), requires the state superintendent to license all teachers for the public schools of the state, and, to make rules establishing standards of attainment and procedures for the examination and licensing of teachers. The statute, under Wis. Stat. sec. 115.28 (7) (d) authorizes the state superintendent to establish fees for “the certification or licensure of school and public library personnel sufficient to fund certification and licensing administrative costs.” This statute can be understood to assume that the revenue generated by the licensing application fees is intended to remain within the department for operations of the Licensing, Educator Advancement and Development (LEAD) team.

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In prior years, the department has had to draw on revenue from its GPR appropriation for general program operations to cover a portion of operational costs on the LEAD team (most recently, for FY20, the amount was approximately \$87,500). In these cases, there were sufficient revenues collected within the fiscal year to cover all expenditures; however, the limit on expenditure authority prevented the department from accessing the full amount of revenues collected.

Change Appropriation to Continuing

Changing the appropriation to be continuing would allow the department to increase budget authority, if needed, to access existing revenue, for LEAD team operations. Further, the uncommitted revenue balance would carry forward (as it does currently) and be accessible to the LEAD team in subsequent years.

The workload of the LEAD team is cyclical, with predictable peaks in workload that correspond to the time during the year when more individuals submit applications for licensure (e.g., upon completion of an educator preparation programs, prior to the start of a school year). Additionally, the number of licensing applications submitted and required background checks conducted by the LEAD team can vary across years. The change from a five-year renewal model for educator licensing, to a lifetime license model, under 2017 Act 59 (the 2017-19 state biennial budget) created expectations of a more even workload over the years. However, the requirement that educators have a background check conducted (by the department) every five years as one of the conditions for retaining a lifetime license leads to the continued five- year cycle of peaks and troughs in workload.

This is an important reason for the department's request that the appropriation be changed to continuing – while revenues can fluctuate from year to year, the budget authority tends to be static for two-year periods, a function of the state's biennial budget process. A continuing appropriation would provide the department the flexibility to cover operational costs that fluctuate from year to year with available revenue.

In addition to operating flexibility, having access to accumulated revenues would allow the department to pursue much needed upgrades to the online educator licensing system (ELOS), which is used by individuals to apply for all educator licensing types. The current ELOS has been determined to be at the end of its expected useful life cycle; upgrades are required to ensure efficient operations of the LEAD team. Currently, there is a balance of revenues generated by licensing fee applications, which could be used to support upgrading of the ELOS and to hire additional Limited Term Employee support for peak workload times on the team.

Elimination of Ten Percent Lapse of Licensing Application Fee Revenue

The statute indicates that this is the very purpose of the fee revenue collected by the department, as it authorizes the state superintendent to establish fees that are “sufficient to fund certification and licensing administrative costs”; the required lapse of ten percent

of fee revenues collected by the department is an impediment to the efficient operation of the LEAD team in its educator licensing duties. Because the licensing application fee revenue collected by the department varies from year to year (within the five-year cycle), so too does the lapse amount; between FY19 and FY24, the lapse amount has ranged from approximately \$400,000 to as much \$500,000 (FY24).

The lapsed fee revenue goes to the state's general fund, becoming a general purpose revenue used for the state's overall biennial budget. The lapse amount from this appropriation is an exceedingly small amount in the context of the state's general fund – less than 2/1,000ths of a percent of the state's FY23 general purpose revenue appropriations (\$21,438,811,400)⁸⁹. However, retaining that revenue would provide the department with much needed flexibility to address operational needs. Additionally, the department's request to create new PR-funded position authority, if approved, would allow the LEAD team to expand staffing capacity for processing license applications and providing service to customers.

Proposal

The department requests the creation of 3.0 FTE PR permanent positions for agency operations associated with teacher licensing and educator preparation program approval.

The department requests two modifications to the appropriation for educator licensing under Wis. Stat. sec. 20.255 (1) (hg) [*Personnel licensure; teacher supply, information and analysis; teacher improvement*]:

1. Change the appropriation type from an annual, sum certain appropriation, to a continuing appropriation. This would be designated by a change in the Chapter 20 schedule, under "type" from "A" to "C". Within the language under s. 20.255 (1) (hg), the language would change from "The amounts in the schedule" to "As a continuing appropriation".
2. Eliminate the statutory requirement that the department lapse ten percent of revenue collected from the licensing application fees to the state's general fund at the end of each fiscal year.

These two changes will benefit the operations of the department by 1) allowing the department to utilize all fee revenue collected within each fiscal year, and 2) allowing the department to access revenues that have accumulated over time because of the sum certain nature of the appropriation. In the prior year, when actual revenues (net of the required ten percent lapse) exceeded the allowable budget authority in the appropriation,

⁸⁹ Legislative Fiscal Bureau, "Summary of Provisions – 2023 Act 19" (2023-25 biennial budget), July 2023. See Table 1 - Summary of 2023-25 Appropriations, Compensation Reserves, and Authorizations. GPR Appropriations (Non-Compensation Reserve).

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the revenues accumulate, as they cannot be accessed by the department for operations of the LEAD team in the department.

There is no change in budget authority associated with this request because the budget authority set in the Chapter 20 schedule reflects gross (estimated) revenues; the lapse to the general fund of ten percent of licensing fees is reflected as an expenditure in the state's accounting system.

If the department's request to convert the appropriation to be continuing is granted, then the department would seek increases in budget authority, commensurate with anticipated expenditures supported with existing revenue, through administrative means (i.e., working with the state budget office and state controller's office via the allotment process). The department is not proposing to raise educator licensing fees at this time or during the 2025-27 biennium.

Statutory Language

The department is proposing statutory language changes for this request.

DECISION ITEM 7050 – PROGRAM REVENUE REESTIMATES

Request

The department requests adjustments to program revenue appropriations to reflect anticipated revenue and expenditures.

Chap. 20 Program	Chap. 20 Appr.	Appropriation Name	FY26	FY27
1	i	Publications	-\$52,700	-\$52,700
1	jm	Professional services center charges	-\$6,300	-\$6,300
1	km	State agency library processing center	-\$8,100	-\$8,100
1	ks	Data processing (IT/chargeback)*	\$514,300	\$514,300
		Total	\$447,200	\$447,200

*(1)(ks): revenue comes from internal chargebacks to other department appropriations.

Standard Budget Adjustments

DECISION ITEM 3001 – TURNOVER REDUCTION

See appropriations below.

FISCAL SUMMARY			
Numeric Appropriation	Alpha Appropriation	2025-26 Request	2026-27 Request
101	s. 20.255 (1) (a)	-\$254,400	-\$254,400
102	s. 20.255 (1) (b)	-\$282,700	-\$282,700
141	s. 20.255 (1) (me)	-\$610,200	-\$610,200
Total		-\$1,147,300	-\$1,147,300

The department requests -\$537,100 GPR and -\$510,200 PR-FED in FY26 and in FY27 as the department’s required turnover reduction in appropriations funding more than 50 FTE permanent positions.

DECISION ITEM 3002 – NONCONTINUING ITEMS

See appropriations below.

FISCAL SUMMARY			
Numeric Appropriation	Alpha Appropriation	2025-26 Request	2026-27 Request
141	s. 20.255 (1) (me)	-\$657,300	-\$1,289,500
Total		-\$657,300	-\$1,289,500

The department is removing \$657,300 PR-F in FY26 and \$1,561,400 FY27 to remove ending project positions as of December 31, 2026. The amount requested is based on salary amounts provided in the adjusted base funding level. Fringe benefits are calculated at the variable fringe rate of 41.83 percent. The request removes 9.0 PR-F FTE beginning in FY26 and 16.0 PR-F FTE in FY27.

DECISION ITEM 3003 – FULL FUNDING OF CONTINUING SALARIES AND FRINGE

See appropriations below.

FISCAL SUMMARY			
Numeric Appropriation	Alpha Appropriation	2025-26 Request	2026-27 Request
101	s. 20.255 (1) (a)	\$754,100	\$754,100
102	s. 20.255 (1) (b)	\$519,500	\$519,500
122	s. 20.255 (1) (hg)	\$208,900	\$208,900
123	s. 20.255 (1) (j)	\$11,100	\$11,100
124	s. 20.255 (1) (i)	\$47,600	\$47,600
125	s. 20.255 (1) (jg)	-\$18,300	-\$18,300
130	s. 20.255 (1) (hj)	\$2,400	\$2,400
131	s. 20.255 (1) (ks)	\$307,200	\$307,200
132	s. 20.255 (1) (ke)	-\$10,200	-\$10,200
133	s. 20.255 (1) (kd)	\$29,800	\$29,800
134	s. 20.255 (1) (hm)	\$6,100	\$6,100
141	s. 20.255 (1) (me)	\$3,287,300	\$3,287,300
146	s. 20.255 (1) (pz)	\$542,000	\$542,000
Total		\$5,687,500	\$5,687,500

The department requests \$1,273,600 GPR, \$251,700 PR, \$332,900 PR-S, and \$3,829,300 PR-FED in FY26 and FY27 to adjust the amount needed to fully fund salary and fringe costs at base FY25 levels.

DECISION ITEM 3007 – OVERTIME

See appropriations below.

FISCAL SUMMARY			
Numeric Appropriation	Alpha Appropriation	2025-26 Request	2026-27 Request
101	s. 20.255 (1) (a)	\$10,300	\$10,300
102	s. 20.255 (1) (b)	\$264,300	\$264,300
122	s. 20.255 (1) (hg)	\$2,900	\$2,900
124	s. 20.255 (1) (i)	\$500	\$500
125	s. 20.255 (1) (jg)	\$200	\$200
131	s. 20.255 (1) (ks)	\$100	\$100
132	s. 20.255 (1) (ke)	\$9,600	\$9,600
133	s. 20.255 (1) (kd)	\$600	\$600
141	s. 20.255 (1) (me)	\$27,900	\$27,900
146	s. 20.255 (1) (pz)	\$14,000	\$14,000
Total		\$330,400	\$330,400

The department requests \$274,6600 GPR, \$3,600 PR, \$10,300 PR-S, and \$41,900 PR-F in FY26 and FY27 to restore funds for overtime differential removed in the full funding calculation. The amount requested is based on salary amounts approved in 2023 Wisconsin Act 19. Fringe benefits are calculated at the variable fringe rate of 15.80 percent.

DECISION ITEM 3008 – NIGHT AND WEEKEND DIFFERENTIAL

See appropriations below.

FISCAL SUMMARY			
Numeric Appropriation	Alpha Appropriation	2025-26 Request	2026-27 Request
101	s. 20.255 (1) (a)	\$500	\$500
102	s. 20.255 (1) (b)	\$55,000	\$55,000
132	s. 20.255 (1) (ke)	\$200	\$200
141	s. 20.255 (1) (me)	\$200	\$200
146	s. 20.255 (1) (pz)	\$200	\$200
Total		\$56,100	\$56,100

The department requests \$55,500 GPR, \$200 PR-S and \$400 PR-F in FY26 and FY27 to restore funds for night and weekend differential removed in the full funding calculation. The amount requested is based on salary amounts approved in 2023 Wisconsin Act 19. Fringe benefits are calculated at the variable fringe rate of 15.80 percent.

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AGENCY TOTAL BY FUND SOURCE

Source of Funds		ANNUAL SUMMARY						BIENNIAL SUMMARY			
		Prior Year Total	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
GPR	A	\$701,360,719	\$790,162,000	\$822,288,600	\$949,934,400	0.00	0.00	\$1,580,324,000	\$1,772,223,000	\$191,899,000	12.10%
GPR	L	\$6,493,756,241	\$7,021,887,000	\$8,647,976,500	\$9,476,846,100	0.00	0.00	\$14,043,774,000	\$18,124,822,600	\$4,081,048,600	29.10%
GPR	S	\$55,942,800	\$56,859,000	\$87,779,000	\$84,015,400	256.29	256.29	\$113,718,000	\$171,794,400	\$58,076,400	51.10%
Total		\$7,251,059,760	\$7,868,908,000	\$9,558,044,100	\$10,510,795,900	256.29	256.29	\$15,737,816,000	\$20,068,840,000	\$4,331,024,000	27.50%
PR	L	\$20,639,560	\$17,507,500	\$18,018,600	\$18,018,600	0.00	0.00	\$35,015,000	\$36,037,200	\$1,022,200	2.90%
PR	S	\$71,387,176	\$37,888,500	\$39,707,400	\$39,733,200	79.99	79.99	\$75,777,000	\$79,440,600	\$3,663,600	4.80%
Total		\$92,026,736	\$55,396,000	\$57,726,000	\$57,751,800	79.99	79.99	\$110,792,000	\$115,477,800	\$4,685,800	4.20%
PR Federal	A	\$69,397,210	\$62,868,500	\$62,868,500	\$62,868,500	0.00	0.00	\$125,737,000	\$125,737,000	\$0	0.00%
PR Federal	L	\$1,920,049,739	\$761,933,500	\$761,933,500	\$761,933,500	0.00	0.00	\$1,523,867,000	\$1,523,867,000	\$0	0.00%
PR Federal	S	\$72,096,939	\$61,344,800	\$63,943,300	\$63,311,100	323.99	316.99	\$122,689,600	\$127,254,400	\$4,564,800	3.70%
Total		\$2,061,543,888	\$886,146,800	\$888,745,300	\$888,113,100	323.99	316.99	\$1,772,293,600	\$1,776,858,400	\$4,564,800	0.30%
SEG	A	\$117,614	\$300,000	\$300,000	\$300,000	0.00	0.00	\$600,000	\$600,000	\$0	0.00%
SEG	L	\$90,411,709	\$79,499,400	\$99,499,400	\$101,596,000	0.00	0.00	\$158,998,800	\$201,095,400	\$42,096,600	26.50%
SEG	S	\$1,706,989	\$2,397,500	\$3,122,200	\$3,169,600	0.00	0.00	\$4,795,000	\$6,291,800	\$1,496,800	31.20%
Total		\$92,236,312	\$82,196,900	\$102,921,600	\$105,065,600	0.00	0.00	\$164,393,800	\$207,987,200	\$43,593,400	26.50%
Grand Total		\$9,496,866,696	\$8,892,647,700	\$10,607,437,000	\$11,561,726,400	660.27	653.27	\$17,785,295,400	\$22,169,163,400	\$4,383,868,000	24.60%

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