

Governor Evers' 2021-23 **Biennial Budget Proposal:** **K-12 Schools & Public Libraries**

March 2021

2021-23 Biennial Budget

GOVERNOR EVERS' PROPOSAL:

- Introduced on February 16
- **Big Picture:**
 - ✓ Supports 2/3's funding for K-12 Schools
 - ✓ Maintains DPI's priorities for school aids (Special Education, Mental Health, English Learners, etc.), public libraries, and College and Career Readiness (ACP, GED)
 - ✓ A few new grant programs and policy changes
 - ✓ Creates Agency Equity Officer position in DPI

2021-23 Biennial Budget

Before we start – commonly used acronyms and terms:

- **4K: four-year-old kindergarten** (as opposed to 5K or five-year old kindergarten)
- **EL: English learner** (sometimes also referred to as “English Language Learner” or “Limited English Proficient” student)
- **ICS: independent charter school** includes charter schools that have been authorized by an entity that state law expressly provides may authorize an ICS (e.g., UW-Milwaukee, UW System Office of Educational Opportunities)
- **LEA: local education agency** includes public school districts and independent charter schools (excludes private schools, whether a voucher school or not)
- **Voucher or Choice schools:** refers to private K-12 schools that participate in one of the private school parental choice programs (Milwaukee – MPCP, Racine – RPCP, and Wisconsin – WPCP), and/or in the Special Needs Scholarship Program (SNSP)

Governor's 2021-23 Budget - School Finance

REVENUE LIMITS & GENERAL SCHOOL AIDS

Revenue Limits (allowable revenues from state General Aid and school property levy)

- Increases revenue limit authority for all districts (\$200/pupil in FY22 and \$204/pupil in FY23)
- Increases low revenue ceiling threshold (by \$250 each year): \$10,250 in FY 22 and \$10,500 in FY 23
- Decouple authority to use the low-revenue ceiling from failure to pass referenda

General Aid (Equalization Aid / Special Adjustment Aid)

- Provides \$221.4 million in FY22 and \$391.4 million in FY23 for general equalization aid
- Increase Special Adjustment Aid (Hold Harmless) threshold from 85% to 90% in FY 22 and FY 23

Counting Kids

- Greater of 2019 or 2020 pupil count for revenue limit purposes (3 year rolling average) to mitigate the impact of steep enrollment declines in fall 2020 in some districts (COVID)
- Full-day/Full-week 4K pupils would count as 1.0 FTE for revenue limit and general aid

Governor's 2021-23 Budget – School Finance

CATEGORICAL AIDS

- *Received “outside” the revenue limit – additional spending capacity for schools*
- *May provide aid as a reimbursement of prior year expenditures (e.g. Special Education Aids)*
- *Sometimes use a formula (e.g., Pupil Transportation Aid)*
- *Includes state funded grants (e.g., Mental Health School Based Services Grant)*
- *Generally, program-specific eligibility criteria (exception is Per Pupil Aid – flat \$ amount per revenue limit member, all districts)*

Categorical Aids

Special Education Aids

- ***Special Education Categorical Aid (+\$709 M over biennium):***
 - ✓ Raise reimbursements to 45% (FY22) & 50% (FY23) - up from est. 28.2% (FY21)
 - ✓ Specify these rates in statute and make the appropriation sum-sufficient
- ***High-Cost Special Education Aid (+\$9.6 M over biennium):***
 - ✓ Raise reimbursements to 40% (FY22) & 60% (FY23) - up from est. 30% (FY21)
- ***Transition Readiness Grants (+\$1.5 M in FY23 – doubles current allocation)***

Categorical Aids

School Mental Health and School Climate

- ***Mental Health Categorical Aid (+\$46.5 M over biennium)***
 - ✓ Expand to all pupil services categories
 - ✓ Reimburse 10% of eligible costs
- ***School-Based Mental Health Services Grant (+\$7 M over biennium)***

- ***Mental Health Training (+\$1.0 M over the biennium)****
 - ✓ Expand scope and volume of trainings offered

**Not a direct aid to schools; rather, allows DPI to expand training offerings.*

Categorical Aids

Bilingual-Bicultural Program Aid (BLBC) / Aid for English Learners (ELs)

- ***BLBC / EL Categorical Aid (\$28.0 M over the biennium)***
 - ✓ Reimburse costs at 15% in FY22 (up from ~8%) for districts required to offer a BLBC program (\$9.7 M)
 - ✓ **New structure** to aid all LEAs that serve ELs, beginning in FY23 (\$18.3 M)*:
 - \$10,000 to each LEA that serves at least 1, and up to 20, ELs
 - Additional \$500 per EL student above 20 (in the LEA)
- **NEW Grant to Build Capacity for BL- & EL- Licensed Teachers (\$750,000 in FY23)**
 - ✓ Help LEAs identify and help teachers and staff obtain licensure as a bilingual teacher or teacher of English as a second language (“grow your own”)

*ELs enrolled in the school district in the prior school year.

Categorical Aids

Supporting Rural School Districts

- ***Sparsity Aid* (\$19.9 M over the biennium):** create a second tier of aid eligibility for school districts that are sparse (fewer than 10 students per square mile), but are not the “smallest” districts:
 - ✓ Sparse districts with 745 or fewer students receive \$400/student (current law)
 - ✓ Sparse districts with more than 745 student receive \$100/student
- ***Pupil Transportation Aid*:** increase rate for students transported 12+ miles, from \$365 to \$375 (no additional funding required)
- ***High-Cost Transportation Aid* (\$4.0 M over the biennium):** to fully fund estimated eligibility

Categorical Aids

Targeted Supports

- ***Per Pupil Aid* (\$60.8 M over the biennium):**
 - ✓ \$750/pupil in both FY22 & FY23 (sum-sufficient)
 - ✓ Weight payments for poverty (10% - additional \$75 for each student in poverty)
- ***School Breakfast Grant*: fully fund at 15 cents/meal (\$5 M over biennium)**
- **NEW *Supplemental Nutrition Aid* (\$4.9 M over biennium):**
 - ✓ Eliminate meal charges to families of students who qualify for reduced-price meals
- ***School Library Aids* (\$6.4 M over the biennium) [*reestimate, Common School Fund*]**
(raises allocation from \$40.3 million, to \$42 million in FY22 and \$47 million in FY23)

Categorical Aids

Targeted Supports

- **NEW Out-of-School Time Grants: \$20 M annually beginning in FY23**
- **NEW Drivers Education Grant: \$2.9 M annually beginning FY23**
 - ✓ Reimburses public and private providers of Drivers Education for 50% of cost of the classroom and behind the wheel instruction
 - ✓ For students in poverty – provider must waive / reduce fees
- ***Transportation Aid for Open Enrolled Students and ECCP* Participants: increase reimbursement rates (\$1.4 M over the biennium)***

*ECCP – Early College Credit Program

Categorical Aids

New Programs Proposed by the Governor

- ***Grants for Energy Efficiency*** (\$10 M annually, beginning in FY22): to assist school districts in completing energy efficiency projects that improve student health
- ***Grants to build Capacity for Computer Science Licensed Teachers*** (\$750,000 beginning in FY23): to support professional development resulting in the licensing of computer science teachers
 - ✓ Give preference for school districts serving disproportionate shares of economically disadvantaged students and students of color.
- ***Grants to Replace Race-Based Logos, Mascots, Nicknames, Team Names*** (\$200,000 annually beginning in FY22)

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Other Provisions (policy changes)

- ***American Indian Studies Requirements***
 - ✓ Expand the teacher licensing requirements to include contemporary and historical events
 - ✓ Increase the frequency of instruction in school districts beginning in the 2022-23 school year
 - ✓ Require independent charter schools and private schools participating in a parental choice program to provide instruction beginning in the 2022-23 school year
- ***Climate Change Standards: incorporate climate change & the human effect on climate change into model academic standards across multiple subject areas***
- ***Allow districts to rehire a retired annuitant teacher if at least 15 days*** (rather than 75 days under current law) have passed since the teacher left employment with a district

Aid Programs in Other State Agencies

New Programs Proposed by the Governor – Budgeted in other agencies (not DPI)

- ***TEACH Grants (\$3 M annually, DOA)***: extend the information technology infrastructure block grant program for schools and libraries to June 30, 2025
- ***Farm to School Grants (\$200,000 annually, DATCP)***: to create and expand farm to school programs, with priority to school districts with higher levels of students in poverty, and or successful programs that can be replicated in other schools
- ***Free Admission to State Parks for Fourth Grade Students (DNR)*** – waive park fees for families of fourth graders
- ***Youth Apprenticeship (\$250,000 annually, DWD)***: to expand Youth Apprenticeship opportunities
- ***Broadband Infrastructure Grants (\$150 M over the biennium, PSC)***: to expand access to broadband to communities around the state

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NON-SCHOOL AIDS

- *Aids to Non-School Organizations*
 - ✓ *Resources for Libraries & Lifelong Learning*
 - ✓ *Aids to Other Organizations*
 - ✓ *Agency Operations*

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Libraries and Lifelong Learning

- **Public Library System Aid:** \$2.5 million in FY22 & \$4.0 million in FY23
- **Recollection Wisconsin:** \$150,000 in FY22 & \$300,000 in FY23

Aids to Organizations

- **Grant to City Year of Milwaukee** (\$380,000 annually): to support the expansion of City Year Milwaukee, which provides tutoring services to students attending schools in Milwaukee

Agency Operations (Supporting College and Career Readiness)

- **Academic and Career Planning** (\$1 M over the biennium): to maintain current ACP services and expand access to business education tools
- **GED Test Subsidy** (\$1.3 M over the biennium): to subsidize testing fees for WI residents (no income limit, but individual must be at the “GED-ready” level)

Governor's 2021-23 Budget

***PRIVATE PARENTAL CHOICE (VOUCHER)
SCHOOLS
&
INDEPENDENT CHARTER SCHOOLS***

Private Parental Choice & Independent Charter Schools

Freeze Enrollments (Private Parental Choice Schools)

- Beginning in FY23, freeze number of spaces in private choice schools and SNSP schools (cap = FY22 enrollments)

Payments to Private Parental Choice & Charter Schools

- Link payment amount for Choice/Charter students to amounts public schools receive under revenue limit adjustment and Per Pupil Aid
- Eliminate ability to use “actual cost” basis for SNSP (and for Spec Ed Open Enrollment)

Accountability Measures

- Require all teachers at private Choice schools and SNSP private schools to hold a DPI license or permit (with some exceptions) beginning July 1, 2024
- Require that aid deductions to school districts’ general aid related to the Choice and Charter schools be shown on property tax bills

2021-23 Biennial Budget

NEXT STEPS – to get to a signed budget (summer 2021)

- Legislative Joint Committee on Finance (JCF) conducts statewide public hearings and hearings with agency heads in the spring, prior to beginning executive action on the budget (*hearing dates have not yet been announced*)
- JCF usually begins acting on the budget in April – though they address K-12 school aids towards the end of their process (*end of May or into June*)
- After JCF completes action on the budget, it is sent to the Legislature – both houses must adopt the same budget before it can be sent to the Governor (*differences between the two house would be worked out in a Conference Committee*).
- Final budget adopted by the full Legislature goes to the Governor for signing (*Governor may use veto authority to remove some provisions*)

2021-23 Biennial Budget

QUESTIONS?

Information on the 2021-23 Biennial Budget will be posted on DPI Policy and Budget Team Page:

[2021-23 Biennial Budget | Wisconsin Department of Public Instruction](https://dpi.wi.gov/policy-budget/2021-23-biennial-budget)

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