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DPI-NR 2024-105

Monday, Nov. 11, 2024

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## State superintendent proposes an additional \$3 billion in new investments to support Wisconsin public schools

*Dr. Jill Underly's budget proposal increases special education reimbursement to 90%; total of new proposed spending on K-12 schools more than \$4 billion as communities demand more state support*

MCFARLAND — As Wisconsin public schools face severe financial constraints brought on by over a decade of underfunding from the state, State Superintendent Dr. Jill Underly today proposed more than \$3 billion in state funding to help meet the growing needs of local schools, students, and educators. Her proposal includes increasing state reimbursement for special education costs, and increased per-pupil and general aid, while limiting local property tax increases. Dr. Underly made the announcement during a news conference today at Conrad Elvehjem Primary School.

Today's proposals, as part of Dr. Underly's 2025-27 Biennial Budget request, would increase the special education reimbursement rate to 90 percent by FY27, provide meaningful per-pupil adjustments to revenue limits, limit property tax increases, index revenue limits to inflation for the first time in 15 years, expand the per-pupil categorical aid program, and fund several grant programs.

"Wisconsin's public schools have been asked to do more with less for too many years — and the upcoming biennial budget presents a critical opportunity to make meaningful change and support the future of our kids," Dr. Underly said. "My budget proposal reinvests in public education and upholds the responsibility of our state: To ensure our schools have the resources they need to ensure the success of our kids. By providing sustainable funding to our public schools and creating new, innovative ways to meet families' needs, our educators can continue providing high-quality education to all kids.

"These investments will significantly reduce the number of referendums for operating costs in local communities, by having the state step up to its responsibilities. We will hold down local property taxes, while investing in education — it's a win-win."

(more)

Specifically, Dr. Underly's budget proposal will:

- Help offset costs to districts in providing mandated special education services to students by increasing the special education reimbursement rate from about 32 percent to 75 percent in FY26 and to 90 percent in FY27 (\$2B over the biennium) and restoring revenue limit indexing to inflation for the first time since 2009-10.
- Provide sustainable funding to Wisconsin public schools by making per-pupil adjustments to revenue limits of \$425 in FY26 and by \$437.75 in FY27 (\$1B over the biennium), and ensuring property tax increases due to this increase are limited to an average of 1.5 percent over the biennium.
- Expand [Per-Pupil Categorical Aid Program](#) payments from \$750 to \$800 in FY26 and to \$850 in FY27, with an additional 20% for students in poverty (\$212M over the biennium).
- Fund the Out-of-School-Time Grant Program with an emphasis on serving students as a means of reducing chronic absenteeism (\$20M over the biennium).
- Reimburse local education agencies for unaided costs of providing mandated special education services to children with disabilities in early childhood education (from age 3 until enrollment in first grade — \$10 million over the biennium).

“The department’s policy position is clear — the state should reimburse 90 percent of special education costs for local schools,” Dr. Underly said. “These are mandated services and schools need the help. Our proposal puts us on a path to achieve that goal in the coming years.”

The DPI’s overall budget request, to be released in full later this month, will propose just over \$4 billion in new, significant investments in K-12 public education. In October, Dr. Underly announced [a budget proposal investing nearly \\$60 million](#) to help school districts resolve staffing challenges and retain teachers and [another \\$42 million proposal](#) that supports the development of readers and schools in implementing mandated early literacy initiatives. Dr. Underly also recently announced [a \\$311 million proposal for school nutrition](#) and [a \\$304 million proposal to support Wisconsin youth mental health](#).

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