

➤ Miscellaneous ... Misc

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WISCONSIN STATE LEGISLATURE COMMITTEE HEARING RECORDS

2009-10

(session year)

Assembly

(Assembly, Senate or Joint)

**Committee on
Education**

(AC-Ed)

(FORM UPDATED: 06/28/2010)

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50/12/14

SFN - NFS



SFN?

April 20, 2009

Dear members of the Assembly Education Committee,

My name is Melissa Schuster. I have three children attending Four Corners Elementary and the Superior Middle School in the Superior School District. I am also a product of the Superior School District. Graduating more than 10 years ago now, I am amazed at the changes that have taken place.

I am writing to you today to express my concerns over school funding. Now, with the state of the economy I feel it is extremely important that we protect our children's education.

Four Corners Elementary is the only school in the Superior School District that does not qualify for the SAGE program. This means that we do not get the funding that other schools get and our students, my children, are suffering from it. Due to cuts made in our district this year class sizes at Four Corners are larger than ever. Although our teachers and staff at Four Corners are exceptional, there is only so much one teacher can do with 25 or more students. The most important time of my child's education, the years when small class sizes mean the most, she has had 24 students in her class. A lot of time during the day is spent on crowd control and not teaching. You can't help but think that some of the kids just fall through the cracks. My children currently get 30 minute of art and music per week. With the large class size, set up, and clean up for each class that basically amounts to 20 minutes or less of teaching time for the teacher. This outrages me. Our school does not have enough money to purchase the necessary items that our children should have available to them. Our PTA, our teachers, our parents, and members of the Four Corners community do a lot of fundraising and donating to our school in order to provide things to our children that they would not get any other way because of the state of our schools funding.

My middle child struggles at times with school. I work very hard with her at home to make up for the one-on-one time that she does not get at school. This is not to say anything bad about our teachers. From my opinion, Four Corners has the best teachers in the state of Wisconsin and they would do anything for the kids at that school. But due to the large class sizes in all grades at Four Corners there is not enough time in the day to give each student the attention that they need and that they deserve. I don't understand how we can put a cap on the amount of money we are going to put into our future generations.

With the ever changing world we depend more and more on technology. Our school does not even have enough money to buy a computer for every student in one full class. I should say instead, that our computer lab used to have enough computers for every student to be on their own computer. Now, due to cuts that our district has been forced to make, our students share the computers. Our district has cut foreign language, band

teachers, music, and art along with many other things. When I went to school in this district I felt like the sky was the limit and it was just my job to take advantage of it. Now, I feel like my children are being robbed of the type of education that they deserve to get. Things are missing that should not be missing. We must provide them with the proper tools to be able to prosper in a world of technology and at the rate we're going that is not going to happen.

I have been doing some research and the Superior School District is notorious for always being careful with how they spend their money. From what I could gather, we spend approximately \$8,900.00 per student. So, when the revenue cap was put on in 1993 we were locked in at a lower amount per student. Why are we being penalized for always being careful with our money? Our district has been feeling the effects of cuts for a very long time now. Now is the time we need to make a change!

Under states law doesn't it say that all children should get an equal and equitable education? I do not think that is happening here. This is why I am asking you to make a change. Make a change for the future of the children in Wisconsin. I realize that the change may come too late for my kids to benefit from it. It is my hope though, that they do. Make a change for my niece Sadie that was just born this August who will be attending school in the District of Superior. That she may benefit from the changes that we make today.

I sincerely thank you for your time and consideration reading my comments regarding the issues that we are having in the School District of Superior. Although, I am sure that I did not mention every cut that we've made. I plead with you today to make a change. We need school finance reform.

Sincerely,

A handwritten signature in black ink that reads "Melissa Schuster". The signature is written in a cursive style with a large, stylized initial "M".

Melissa Schuster

Four Corners PTA Secretary,

Mom,

Aunt,

and neighbor of future students and children currently attending school in this district.



SCHOOL FINANCE NETWORK

Preserving Wisconsin's Tradition
of Excellent Public Schools

Assembly Education Committee
April 21, 2009

Current Problems

- Fundamental Flaw in Revenue Caps
- Declining Enrollment
- Insufficient aid for high needs children

It's the Revenue Cap, Stupid!

- Fundamental Flaw – Gap between allowable revenue growth and fixed cost increases
- CPI-U understates “school inflation”
- We currently apply inflationary increase to previous year’s adjustment, not the revenue cap base

index the index

$\$264$ $\text{CPI-U} = 4\%$ $>$ $\$274$ // low res costing application of CPI-U = $\uparrow \$300$

Declining Enrollment

- In 2007-08, 248 districts (58%) had enrollment declines
- 107 districts (25%) had 3 or more years of enrollment decline
- 63% of districts have fewer students than they had in 1999
- There is no way you can prudently cut expenditures as fast as many of these districts are losing revenues.

High Needs Children

- No PK-12 aid program for children in poverty (SAGE is K-3)
- Special education reimbursement is 28.8%
- ELL reimbursement is 12%, but does not cover all ELL students

K-8 10 students per cell required before reimbursement
9-12 20 "

SCHOOL FINANCE NETWORK

- AFT – Wisconsin
- Fair Aid Coalition
- School Administrators Alliance
- Southeastern Wisconsin Schools Alliance
- Wisconsin Alliance for Excellent Schools

SCHOOL FINANCE NETWORK

- Wisconsin Association of School Boards
- Wisconsin Association of School District Administrators
- Wisconsin Education Association Council
- Wisconsin PTA

SCHOOL FINANCE NETWORK

- Group established in mid-2006 to focus on school-funding reform
- Convened at the suggestion of legislators
- Agenda is to improve the funding system for K-12 public schools to improve educational quality, which is critical to Wisconsin's economic growth
- An historic effort

SCHOOL FINANCE NETWORK

- Established a work group in early 2007.
- Group charged with developing a revised funding system for potential implementation in the 2009-11 state fiscal budget cycle.
- Group met at least twice monthly for more than a year and presented draft proposal to the SFN in April, 2008.

SCHOOL FINANCE NETWORK

Members of Working Group:

Dan Rossmiller – WASB

Bob Borch – FAC

John Forester – SAA

Jack Norman – WAES

Jeff Leverich - WEAC

What Does SFN Propose?

- Provide school districts with greater resources for high cost students
- Align revenue growth with cost increases
- Address *Vincent v. Voight* issues
- Continue use of equalization formula and categorical aids

Effects of Revenue Controls

- A full 78 percent of superintendents report that *revenue controls are hurting the quality of education in their district,*
- *90 percent favor “changes in the way education is funded.”*

➤ Source: WASDA and WEAC Annual Revenue Control Survey

Effects of Revenue Controls

- 70 percent of districts report increasing class sizes, up from 34 percent 10 years ago.
- 63 percent report offering fewer classes.
- Classes are being cut in foreign language, business, technical/vocational training, art and music.

Effects of Revenue Controls

- More than one-quarter (26%) of Wisconsin's school districts reported last year that their district is considering consolidation or dissolution.

Per Pupil Expenditures 1992-2007

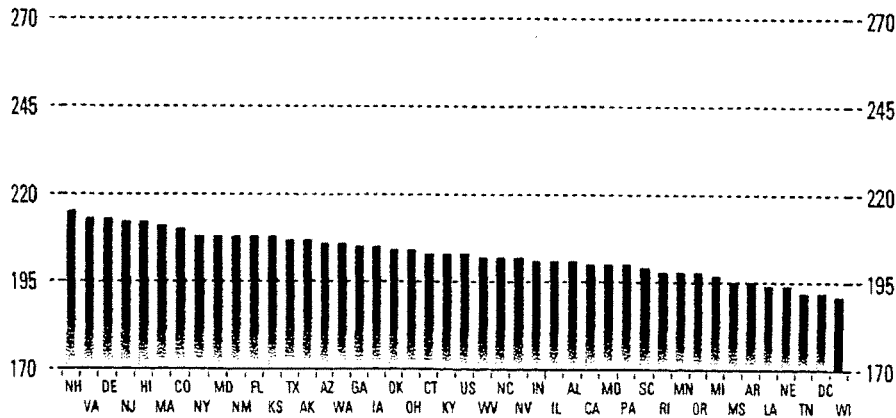
Year	Wisconsin	National Ave	Wisconsin Percent of National	Wisconsin National Rank
1992-93	\$6,500	\$5,550	117.1%	10
1994-95	6,949	5,949	116.8%	12
1996-97	6,999	6,335	110.5%	13
1998-99	7,694	6,734	114.3%	12
2000-01	8,695	7,640	113.8%	11
2002-03	9,802	8,630	113.6%	13
2004-05	10,319	9,349	110.4%	17
2006-07	11,064	10,209	108.4%	18
2007-08	11,434	10,615	107.7%	19
Percent Inc:	75.9%	91.3%	---	---

Source: NEA, Rankings of the States, 1994; Rankings and Estimates, Fall 2008

Largest Achievement Gap in Nation

How does the reading performance of African-American students compare across states?

2007 NAEP Grade 4 Reading Average Scale Score



What Does SFN Propose?

- Target aid to high cost children:
 - Low-income aid—up to \$2,000 per pupil after 5 years.
 - Non-English speaking aid (33% of actual cost) *= head count, not LEMs of 10/20*
 - Special education aid (33% of actual cost)

Changes in Student Demographics

	1990	2005	Number increase	Percent increase
English Learners	10,447	39,255	28,808	275.8%
Special Needs	83,178	129,875	46,697	56.1%
Poverty	134,765	265,750	130,985	97.2%

Source: Wisconsin Department of Public Instruction

What Does SFN Propose?

- Rural school relief:
 - Sparsity aid of \$300 per pupil for school districts of up to 725 students that have a population density of 10 students per square mile or less.)
current law →
 - Increase transportation aid (33% of cost)
 - Appoint commission on rural economic health

What Does SFN Propose?

- Declining enrollment relief:
 - Phase out revenue losses due to declining enrollment for a 3-year period (100%/75%/50% hold harmless)

* NEW * REVENUE CONTROL FORMULA

What Does SFN Propose?

- Increase annual allowable revenues:
100% shared costs in '06
- Index the base (\$9,169 versus \$256 in 2006-07 school year).
- Per student increase equal to five-year rolling average of statewide personal income (PI) growth.
- Historically, use of PI results in increase of 4.0% average rather than CPI average of 2.8%

ability to pay tied to economic trends

Potential phase-in & changes by legislature

What Does SFN Propose?

- Equalized Aid:
 - Maintain three-tiered formula with modified secondary ceiling *90% changed to 100% before moving to tertiary funding*
 - Establish by statute a *minimum* two-thirds funding obligation for the state.
 - Increased state aid generates property tax relief
- direct levy credit to schools*

Does the Plan Really Help?

- YES—Statewide distributional tables show that monies go to where they are needed most.

FY2007 - Impact of SFN Proposals by District Size, K-12 Districts

SFN Proposal Compared to FY07 Actual

District Size	SFN Proposal			Change in Total Aid per Student	Percentage Change in Total Aid per Student
	General Aid per Student	Categorical Aid per Student	Total Aid per Student		
Less than 500	\$5,654	\$1,191	\$6,845	\$665	10.8%
500-999	\$5,703	\$919	\$6,622	\$438	7.1%
1,000-1,499	\$5,669	\$781	\$6,451	\$258	4.2%
1,500-2,499	\$5,128	\$764	\$5,892	\$286	5.1%
2,500-4,999	\$5,023	\$703	\$5,726	\$230	4.2%
5,000-9,999	\$4,868	\$842	\$5,710	\$163	2.9%
10,000-30,000	\$5,178	\$1,082	\$6,260	\$317	5.3%
Milwaukee	\$6,951	\$1,478	\$8,428	\$604	7.7%
Total	\$5,393	\$929	\$6,323	\$319	5.3%

FY2007 - Impact of SFN Proposals by Concentration of Poor Students, K-12 Districts

Percent of Students with Free and Reduced Price Lunch	SFN Proposal			Change in Total Aid per Student	Percentage Change in Total Aid per Student
	General Aid per Student	Categorical Aid per Student	Total Aid per Student		
Less than 10%	\$3,902	\$600	\$4,502	\$203	4.7%
10% - 20%	\$5,180	\$678	\$5,858	\$198	3.5%
20% - 25%	\$5,408	\$813	\$6,221	\$327	5.5%
25% - 30%	\$5,661	\$864	\$6,524	\$265	4.2%
30% - 40%	\$5,377	\$1,045	\$6,422	\$325	5.3%
40% - 50%	\$5,595	\$1,196	\$6,791	\$477	7.6%
50% - 75%	\$5,303	\$1,249	\$6,551	\$467	7.7%
More than 75%	\$6,952	\$1,478	\$8,431	\$603	7.7%
Total	\$5,393	\$929	\$6,323	\$319	5.3%

FY2007 - Impact of SFN Proposals by School District Location, K-12 Districts

Locale	SFN Proposal			Change in Total Aid per Student	Percentage Change in Total Aid per Student
	General Aid per Student	Categorical Aid per Student	Total Aid per Student		
Milwaukee	\$6,951	\$1,478	\$8,428	\$604	7.7%
Mid-Size City	\$5,175	\$1,084	\$6,259	\$331	5.6%
Urban Fringe of Large City	\$4,146	\$716	\$4,863	\$180	3.9%
Urban Fringe of Mid-Size City	\$5,503	\$711	\$6,214	\$208	3.5%
Town	\$5,638	\$834	\$6,472	\$248	4.0%
Rural, Inside Metro Area	\$5,755	\$713	\$6,468	\$318	5.2%
Rural, Outside Metro Area	\$5,377	\$1,017	\$6,394	\$452	7.6%
Total	\$5,393	\$929	\$6,323	\$319	5.3%

FY2007 - Impact of SFN Proposals by Enrollment Change, K-12 Districts					
Enrollment Change, FY2002 - FY2007	SFN Proposal			Change in Total Aid per Student	Percentage Change in Total Aid per Student
	General Aid per Student	Categorical Aid per Student	Total Aid per Student		
Decrease: 20.0% +	\$5,473	\$1,145	\$6,618	\$630	10.5%
Decrease: 10.0 - 19.9%	\$5,265	\$983	\$6,248	\$463	8.0%
Decrease: 5.0 - 9.9%	\$6,339	\$1,211	\$7,551	\$477	6.7%
Decrease: 0.1 - 4.9%	\$5,019	\$908	\$5,927	\$285	5.1%
Increase: 0.0 - 4.9%	\$5,128	\$874	\$6,002	\$234	4.1%
Increase: 5.0 - 9.9%	\$4,875	\$705	\$5,580	\$292	5.5%
Increase: 10.0 - 19.9%	\$5,334	\$726	\$6,060	\$199	3.4%
Increase: 20.0% +	\$5,141	\$591	\$5,732	\$139	2.5%
Total	\$5,393	\$929	\$6,323	\$319	5.3%

FY2007 - Impact of SFN Proposals by District Fiscal Health, K-12 Districts					
SFN Proposal Compared to FY07 Actual					
Relative Fiscal Health	SFN Proposal			Change in Total Aid per Student	Percentage Change in Total Aid per Student
	General Aid per Student	Categorical Aid per Student	Total Aid per Student		
Very Weak	\$6,888	\$1,374	\$8,261	\$572	7.4%
Weak	\$6,163	\$1,036	\$7,199	\$329	4.8%
Average	\$5,585	\$899	\$6,484	\$309	5.0%
Strong	\$4,973	\$409 ?	\$5,682	\$200	3.6%
Very Strong	\$2,852	\$759	\$3,612	\$260	7.8%
Total	\$5,393	\$929	\$6,323	\$319	5.3%

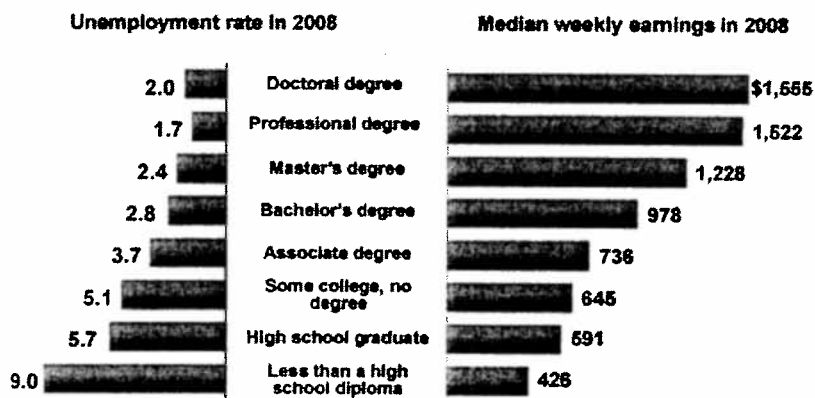
What Does SFN Propose?

➤ In sum:

- Targets money to where it's needed most
- High cost students
- Declining enrollment school districts
- Provides property tax relief
- Benefits all districts

Return on Investment

Education pays



Source: Bureau of Labor Statistics, Current Population Survey

Is Now the Time to Invest in Our Future?

- We understand the current fiscal challenges are severe
- We also know that education is the foundation of post-recession prosperity
- Budget after budget, our children have been told to wait...wait...wait
- This plan should be the basis of the school finance conversation as we move forward

Designed to Control Property Taxes

- The property tax is the chief source of taxpayer discontent
- The SFN plan is designed to **reduce** the growth of school property taxes
- While preserving local control with the property tax, the SFN plan puts increased responsibility on the State, as the Constitution says
- The SFN plan is designed to **reduce** the chronic need to go to referendum

Some Facts About Wisconsin Taxes

- Wisconsin government is moderate cost
 - Revenue for state & local government: 21st in US as share of income
 - Per capita spending for state & local government: Wisconsin is 0.4% below the national average

- State comparisons of tax burdens
 - Property taxes—9th in US
 - Sales taxes—33rd in US
 - Personal income—14th in US
 - Corporate income tax—29th in US
 - Fees & charges—27th in US

[source: US Census Bureau]

Paying for Quality Education

- SFN plan: \$1.13 billion for 2009-'11 biennium

- SFN is not making a specific proposal regarding the revenue source for the plan

- There are options, such as: (LFB estimates for FY2011)
 - Increase sales tax from 5% to 6%: \$847 million
 - Extend sales tax to personal services: \$96 million
 - Reinstate estate tax with \$1 million exemption: \$85 million
 - Extend sales tax to non-medical professional services: \$566 million
 - Eliminate exemption on capital gains: \$192 million

Our Wisconsin Tradition

- Great schools are part of our DNA
- We can't let that slip away
- We need to invest to:
 - Preserve this great tradition
 - Provide opportunities for all of our children
 - Build strong communities
 - And drive a healthy, knowledge-based economy



Assembly Education Committee Hearing on the School Finance Network Plan.

April 21st 2009

Presentation of

Angela Roberts

As a Parent of 2 young children I am honored to speak to all of you on behalf of parents in the Rhinelander School District.

- I am not a teacher, or an administrator or a business leader; I am not an expert on school funding. I am just a Mom. I clean up messes, dry tears, help with homework, encourage, love and guide my children, that's my job – as a Mom. Every day as a Mom I add to that list, this is not something I ever envisioned adding to that list – sitting here in front of you, asking, begging, and pleading for help – real help for my children's future.
- As a graduate of Rhinelander High School and parent, I have seen the changes that have taken place in our school system over the years. Many of these changes have been wonderful, enriching the education and school experience for many who enter. I have also seen the strain that the current funding system has put on the Rhinelander school district and our entire community.
- I am sure that I am not telling you anything new when I say that we are facing cuts of the worst kind, cutting curriculum, laying off teachers, closing buildings, eliminating academic and athletic extra-curriculum programs. We are on the cusp of eliminating courses in business, foreign language, vocational arts, creative arts and advanced placement classes. Of course with teachers and classes being cut class sizes are increasing which naturally decreases the amount of much needed individual attention students receive.
- For a decade and a half Wisconsin has used a school funding system based on revenue controls. But what was good for our state and our schools 15 years ago is no longer working today. Due to the current funding system the Rhinelander School District has been forced to do the only thing we can do...Go to referendum. The Rhinelander School District has tried the referendum route...not once or twice but 5 times – each time it has failed. Each time it has divided our tight knit community more and more. In a district where nearly 50% of the students receive free or reduced lunch it is virtually impossible to convince these hard working, tax payers to vote to RAISE their taxes when many of them can't afford to pay for their child's lunch.
- It is also difficult for me, just a Mom, to read media reports of wasteful spending in the southern school districts as we struggle to keep our heads above water. The current funding system really has a way of pitting all of us against each other. Every student, in every school, in every district in Wisconsin must be treated equally. Period, it's that simple and that complicated.

I am confident that you all agree that there must be a change, I am sure that you would love to put the question back on me....but how – how do we get blood out of the proverbial turnip? I will tell you my answer.... Before during and after each of the failed referendum attempted we, the parents, teachers, administrators and business leaders of Rhinelander came together and have become involved in the process, we have campaigned for change, raised money for our cause, knocked on doors asking for support, passed out flyers, attending countless meetings, held press conferences and forums, we have had people endorse our ideas and have had others say terrible things about us in the press...I'm sure you are thinking that these actions sound familiar, to all politicians it's just a day in the life.... Your life – Well I'm not a politician I'm just a Mom and honestly, I'm tired of doing your job –



SFN?

Testimony of Charlotte Hall to the Wisconsin Assembly Education Committee-- April 21, 2009

My name is Charlotte Hall. I live at 1024 Nagawicka St., Delafield, Wisconsin. I recently retired after 35 years as a teacher, counselor, and administrator in Wisconsin public schools. In those years as an administrator, I have had two Nationally Recognized Blue Ribbon Schools of Excellence----Oconomowoc High School and Kettle Moraine Middle School. In 2004, I was named Wisconsin's Principal of the Year. I share this with you as testimony to my commitment and dedication to excellence for the benefit of the children in this state. Regrettably, I had to spend more than the last decade of my career, cutting into and diminishing that excellence due to the antiquated state school funding formula. It is that unpleasant and unnecessary experience that brings me here to share my testimony today.

As a school administrator, one must have a vision of what your school needs to be for your students. That vision is not for today. It is to envision what their world will be like down the road when they become adults and must function as citizens and consumers. We study the future and make it our business to know what will our students' adult world demand? What essential skills will they need to successfully compete in the mid 21st century? If you consider 12-14 years of public education 4K through 12th grade, plus post high school and higher education years, their adult world will begin 20-25 years out. For students currently in kindergarten, that adult world will begin in 2030.

We cannot, therefore, replicate our school experience and expect it to meet the needs of citizens 25 years from now. We must do better if we want our state, indeed our country, not only to remain a world power, but also to be able to compete successfully on a global level. We owe nothing less to our children.

However, due to the necessity of most public schools over the last 15 years to cut their budgets to stay within the revenue limits, we are slowly bleeding the excellence out of our schools. Let me give four quick examples from Kettle Moraine Middle School where I was principal from 1992-2006.

1. We know that by the year 2020, over 30% of our country will be

continues with each passing year. We indeed are bleeding excellence every day!

4. All children can learn and they learn differently. They learn at different rates and times. All children need to have their progress continually monitored. All children need answers to their questions and they need individual attention. Knowing this, we at Kettle Moraine Middle School put a priority on smaller class sizes. If I had 100 students registered for algebra, I would break that enrollment down to five class sections of 20 students each. After a few years of cuts, I had to make those 100 students fit into four class sections of 25 students each. As cuts grew even greater, that same group of 100 students would be scheduled into three class sections of 33 students each. Ultimately, continuous budget cuts due to revenue limits translate into increased class sizes. Anyone who thinks there is no difference between the quality of instruction and learning between teaching 20 students per class, as opposed to 33 students per class should spend some time with a teacher. There is no question that more students means less individualized attention, less monitoring of progress, fewer questions asked and answered, minimized differentiation of instruction, and a depletion in the quality of the instructional experience. When that is multiplied by every class in a seven hour school day, times 178 days each academic year, times 15 years of revenue limits, times hundreds of thousands of Wisconsin public school children, this is, exponentially, a profound travesty for instruction and learning and it must stop now!

The citizens of 2030 deserve better! Please consider the legacy you will leave for the children – and the future – of Wisconsin. You have the opportunity to change the funding formula and stop the “bleeding” of our public schools.

Charlotte M. Hill
7-21-2009





SFN ?

KATHLEEN VINEHOUT

STATE SENATOR

Testimony in Support of School Funding Reform Assembly Committee on Education Tuesday, April 21, 2009

Good Afternoon Chairperson Pope-Roberts and members of the Assembly Education Committee. I thank for the opportunity to testify about the need to reform school funding and the School Finance Network proposal.

In preparation for the new legislative session, I took time to meet with school superintendents and school board members across my district. At each meeting, our discussions focused on the same old problem; the severe financial difficulties facing each and every school district.

Instead of creating more educational opportunities for our children, my school superintendents and school board members are forced to look at creating ways to do with less.

Our rural schools are making severe cuts to programs, services and staff. Many are faced with eliminating music programs, foreign language courses, vocational education and all extracurricular activities including sports, drama, forensics, FFA and other groups.

The most recent survey of school district administrators shows the majority have already taken steps to squeeze as much as they can from their expenses. They reduced energy and health care costs, combined job responsibilities and share staff with other districts. They use cooperative educational services and participate in purchasing cooperatives for supplies.

Let me share the story of my own school district of Alma. Due to declining enrollment, they are losing dollars faster than they can cut fixed costs. For example, the fuel oil bill has increased from \$18,000 to \$87,400 in the eight years in which we lost a quarter of our enrollment.

Alma shares staff and programs such as music, consumer education and psychologist arrangements with Pepin and Plum City school districts. The school district administrator said this was their secret to survival.

Rural school districts are losing ground and face two choices: They must either spend more out of local resources to provide a basic educational program or be satisfied with more limited educational offerings. The reality is many of these districts are poor so the first option is not available to them. Sacrificing educational equity is NOT a choice.

School funding reform has to be a priority. We need to put aside partisan differences and work together to put forth a plan for real reform.

Let's look at the three major problems with our current school funding system:

- 1) There is a fundamental disconnect between what drives school district revenues and what drives school district costs. When three students leave from a class of 20, district revenues are automatically cut 15 percent – but the cost of teaching a class of 17 is almost the same as teaching a class of 20.
- 2) The school funding formula assumes that every student costs the same to educate regardless of background, capability, or language skills.
- 3) The school formula assumes every school district has the same cost structure regardless of whether it has 300 or 3000 students, and regardless of whether it covers 15 square miles or 150 square miles.

These three things work together to create severe financial problems particularly for smaller, rural districts with declining enrollments and increasing property values.

For the fundamental problems in school funding to be fixed, reform must accomplish these four things:

- Reduce our reliance on the property tax.
- Recognize that some students cost more to educate than others.
- Recognize that school districts in different situations face different costs.
- Be based on real costs in specific circumstances.

This is not impossible and over the years a number of proposals have been made by various groups.

The latest proposal is the one you will hear more about today. The School Finance Network consists of nine different groups including those representing administrators, teachers, school boards and others from all different geographic areas of the state. They will present the results of months of hard work focused on reform of the school funding system.

I will let them share the details of their proposal, however, after reviewing their draft I found three pieces I believe the Legislature should consider enacting as part of the 2009-11 state budget.

I am proposing a Rural Schools Initiative which includes the SFN proposals on Declining Enrollment Relief, Sparsity Aid and Transportation Funding. I shared with each of you a summary of my initiative.

Dramatically declining enrollment can be softened by adjusting the impact over an additional two years. Small but necessary schools can further be assisted through changes in sparsity requirements. This direct assistance can make a big difference in helping rural schools balance their budget. I also suggest a proportional increase in transportation assistance for schools transporting students 12 miles or more.

These changes will help rural schools across the state survive while we finish the work of school funding reform.

We cannot afford to let our schools go down:

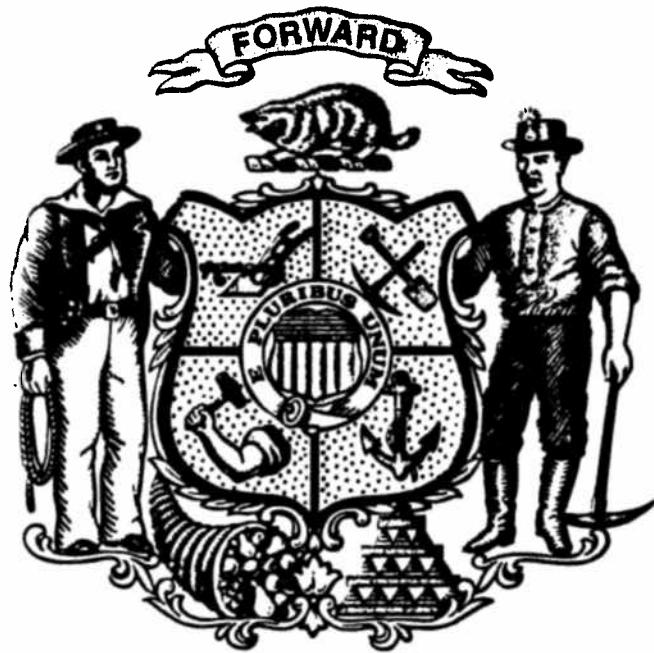
Good schools prepare our children for productive lives.

Good schools make vibrant communities.

Good schools support a healthy economy.

We can do a better job funding schools and our goal must be to change the present funding system.

Thank you.



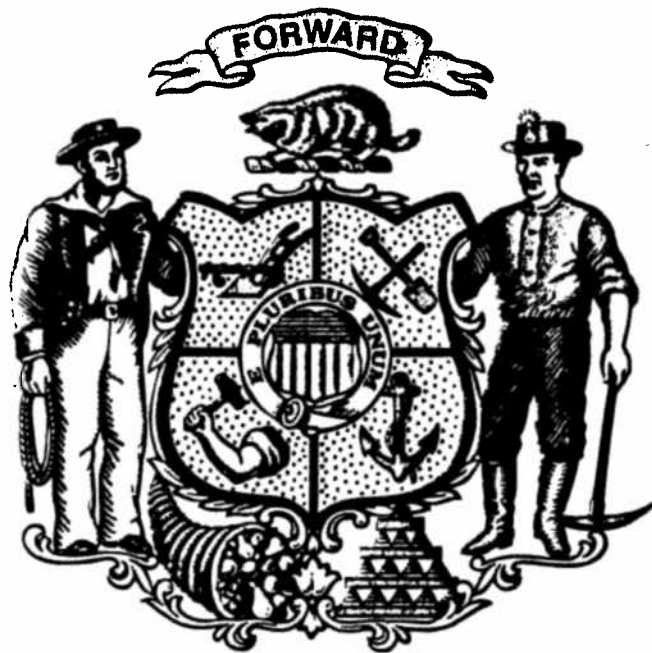
Testimony for School Finance Network April 21, 2009:

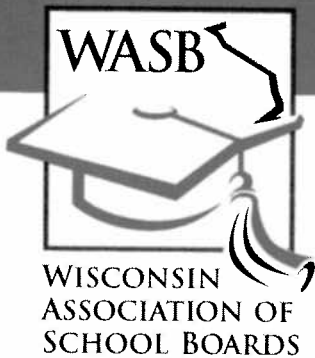
My name is David Deaven. My wife, myself, and our two elementary school aged children are residents of the Town of Delafield, represented by Representative Newcomer and Senator Neal Kedzie. I'm here because I'm concerned that our state's strategy towards K-12 public school funding is short-sighted, fails to meet Wisconsin's needs today, and if it isn't fixed, will cause a disastrous downfall for our state and an exodus of families like mine who are drawn to Wisconsin's progressive, family-friendly culture. We moved here 10 years ago for high-tech jobs and high quality of life: great schools for our children and a strong community. We could easily have taken jobs in the technology corridors on the coasts but we came to Wisconsin instead – and the quality of public education and family life was a big part of the reason why we did. I believe that Wisconsin's economic future depends on our ability to fix the public school funding in our state.

My children have now been in the Kettle Moraine schools for five years and I have personally witnessed the effects of drastically reduced funding. We lost foreign language classes and music staff. When the gifted and talented program was cut we felt that the district had abandoned its call to educate all students. Each year we have larger classes and at this point, not enough teachers and aids to staff classrooms. This isn't the Wisconsin I know – and it doesn't match our community's values. These reductions go far beyond “tightening the belt” or any reasonable stewardship of taxpayer funds; in fact they are harmful to Wisconsin's economic prosperity. In the past two years, the Kettle Moraine School District has made \$1.8 million in reductions and yet we still expect a deficit in excess of \$5 million over the next 5 years. My district will be forced to lay off more than 70 teachers during this time. Why is this happening? As I sought answers to this question I met Pat Deklotz, superintendent of Kettle Moraine Schools and was astounded to be told that our district's budget issues are systematically imposed by the combination of legislated revenue limits and guaranteed teacher benefit increases enacted as law in the early 90s. While each of these controls was meant to serve a legitimate purpose then, neither of them are desirable now. They constrain our ability as taxpayers, voters, and Wisconsin citizens to freely provide high quality public education.

The currently imposed state revenue growth limit of 2.4% was intended to be temporary and the fact that it's been left in place is simply negligent. The so-called qualified economic offer, or

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Additional Pages
Not
Included





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JOHN H. ASHLEY, EXECUTIVE DIRECTOR

SFN?

Statement of John H. Ashley, WASB Executive Director,
to the Assembly Education Committee, April, 21, 2009

Today, members of the Assembly Education Committee will hear from representatives of school districts from around the state about flaws in the way our state funds its schools. These representatives will explain how their districts struggle under the weight of revenue limits that, year after year, do not provide them with enough funding to allow them to meet their fixed costs to continue. They will explain how they continually have to cut programs, staff and opportunities for their students. And they will explain the impact this is having on the quality of education for their students.

The Wisconsin Association of School Boards (WASB) joined the School Finance Network because we believe it is necessary for the education community to come together to change the direction public education is headed. To change that direction, we need to change the conversation in Wisconsin about how to fund our schools.

The WASB recognizes that the pressing need to reform the way the state funds its public schools is a statewide problem that must be addressed in a statewide manner. It cannot be solved by the relying on local referendums to exceed revenue limits. It is a much bigger, structural problem that is threatening the quality of our schools. And the impacts are being felt even more severely in the 60 percent of districts in our state experiencing declining enrollment.

The WASB supported the SFN effort to set a vision for what school funding should look like and begin a serious dialogue with policy makers about comprehensive school funding reform.

The plan before the Assembly Education Committee reflects a good faith attempt to improve the equalization formula, provide adequate state funding for children with additional educational needs, and address declining enrollment.

The centerpiece of the SFN plan, and the principal reason the WASB remained at the table during discussions, is to bring school district revenues into alignment with school district costs. The plan accomplished this by keeping the QEO, and linking the QEO and revenue limits to the same inflationary adjustment to line up costs and revenues.

Regrettably, there are now efforts to move in an opposite direction. In the 2009-11 state budget, the governor has proposed repealing the QEO and changing the factors an arbitrator must consider when settling a school district contract dispute.

Repealing the QEO and specifically exempting school district arbitrations from the requirement that arbitrators consider and give greatest weight to revenue limits and local economic conditions moves us even further from the SFN goal of aligning costs and revenues.

These changes hold the potential to dramatically impact the way school dollars are spent. We have real challenges facing public education today that demand collective solutions. Our focus should be on those collective solutions.

The WASB supports the SFN plan and comprehensive school funding reform, but we must acknowledge that the proposed collective bargaining changes in the 2009-11 state budget are making the path to school funding reform much steeper.