



TOM TIFFANY

STATE SENATOR • 12TH SENATE DISTRICT

Assembly Bill 824
Assembly Committee on Education
February 4th, 2016

Thank you Chairman Thiesfeldt and members of the Assembly Committee on Education for allowing me to submit testimony on Assembly Bill 824.

Sparsity aid was originally created in the 2007-09 budget as a way to help the states rural school districts. Districts receive the aid, \$300 per member, if they have fewer than 725 students and less than 10 students per square mile. 2015 Wisconsin Act 55 (biennial budget) eliminated a third criteria requiring at least 20 percent eligibility for free or reduced-price meals. Many districts in Northern Wisconsin qualify for the program as school districts can cover vast areas with relatively few school age children.

Additional aid through the sparsity program is especially important in Northern Wisconsin. Unlike urban or suburban school districts, our rural school districts are unable to make use of economies of scale. Our students have to travel great distances to their school, while transportation costs have relaxed lately, this puts great pressure on school district transportation budgets.

We are proposing to lift the cap from 725 students to 745 beginning in the 2016-17. In addition, if after the department has paid sparsity aid to currently eligible school districts and there is still a balance remaining, the department shall pay to each school district that received aid in the previous school year but does not qualify in the current year \$300 multiplied by the membership in the previous year. Rural school district have come to rely on sparsity aid but a couple districts have memberships that have grown just above the current cap.

We believe this is a sensible compromise to allow districts to qualify for sparsity aid if they have the previous year and there are funds remaining. I want to thank the committee for hearing this bill and encourage your support.

Tom Tiffany
Wisconsin State Senate
12th Senate District



Jeff Mursau

STATE REPRESENTATIVE • 36TH ASSEMBLY DISTRICT

Assembly Committee on Education
February 4, 2016

AB 824: Sparsity Aid

Good morning Mr. Chairman and members of the committee. Thank you for taking the time to hear Assembly Bill 824 this morning.

I represent the School District of Crivitz. Last fall I was contacted by the Superintendent who informed me the district no longer qualified for Sparsity Aid because their summer school enrollment had put them over the cap. This meant the district would lose over \$200,000 in aid they had planned on. As I'm sure you can understand, this was a significant hit to this rural school district.

The 2014-2015 full-time equivalent students (FTE) number without summer school FTE's was 718 and the cut off for being eligible for sparsity aid is 725. Under that metric Crivitz would have qualified for sparsity aid this year. However, since the district offers summer school opportunities, it added 11 FTE's to the district's count and by DPI's calculation Crivitz was then at ~~7~~29 FTE's, putting the district over by 4 FTE's (students).

After contacting DPI we found out that Crivitz and Spring Valley School Districts were the only two districts statewide that qualified for sparsity aid in 2014-2015, but not 2015-2016. We were also informed that the sparsity aid allocation still had funds remaining.

Assembly Bill 824 authorizes the DPI to pay any unexpended sparsity aid to a school district that qualified for aid in the previous school year, but because of an increase in the schools membership, does not qualify in the current school year. The payment would be pro-rated and spread among any eligible districts. The bill also changes the membership cap of the school district from 725 to 745 pupils beginning in the 2016-2017 school year.

I have attached a letter from the School District of Crivitz in support of this bill. I think the Superintendent does a great job of explaining both the importance of being able to offer summer school opportunities to the families in this rural district and the much needed sparsity aid.

The Department of Public Instruction is here today and can help answer any questions you may have on the bill.

SCHOOL DISTRICT OF CRIVITZ

— HOME OF THE WOLVERINES —

·DISTRICT OFFICE/HIGH SCHOOL·
400 SOUTH AVENUE
CRIVITZ, WISCONSIN 54114



·ELEMENTARY/MIDDLE SCHOOL·
718 HALL HAY
CRIVITZ, WISCONSIN 54114

Wednesday, February 03, 2016

Re: AB824

Dear Assembly Education Committee Members,

Your willingness to take up this important bill for consideration is very much appreciated. As one of only two districts in the state to have qualified for sparsity aid in 2014-2015 and then not qualify in 2015-2016, Crivitz was counting on this funding to maintain the ability to deliver a high quality educational program to our students and community. The loss of approximately \$217,000 will likely result in the need to reduce programming and services for our students.

What is most troubling is that the sparsity aid enrollment cutoff of 725 full time equivalent (FTE) students was exceeded by 4 FTE students and this was as a result of our District offering summer school to our students. By offering summer school and counting 11 FTE's it put our district FTE count at 729 and thus just over the 725 cutoff for sparsity aid. Crivitz is a small rural school district with a high level of students in poverty. Our offering summer school provides a much needed extra educational support for many of these students, as well as a place for them to get a good breakfast and lunch which they might otherwise not receive at home. Unless the FTE enrollment cap is lifted, it will continue to act as a disincentive for small rural school district to offer much needed summer school programs.

Sparsity aid was designed to help economically struggling small rural school districts by infusing much needed additional revenue. I ask that you and your Committee, to be followed by the full Assembly, pass this bill in an effort to get the remainder of this year's sparsity aid to the two rural school districts for which it was intended and which qualified in the previous year and very much need in the current year. I also ask that the FTE enrollment cap be lifted to 745 FTE's, as noted in the bill, which will allow these small rural school districts to continue to offer summer school without fear of losing this much needed revenue.

Thank you for your time, effort, and service to the people of the great state of Wisconsin.

Sincerely,



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Warren Petryk

State Representative • 93rd Assembly District

To: Members of the Committee on Education

From: Representative Warren Petryk

Re: Assembly Bill 824 – Sparsity Aid

Date: February 4, 2016

Thank you Chairman Thiesfeldt and members of the committee for taking the time to hear about the importance of Assembly Bill 824. My sincere thanks as well to my fellow co-author, Representative Mursau, for his leadership in drafting this bill.

As you all know, sparsity aid was originally created as part of the 2007-09 budget as recommended by the State Superintendent's Rural School Advisory Council. Due to the unique circumstances for rural schools including declining enrollment, increased numbers of financially disadvantaged students, and unstable property values, school funding for rural school districts can be unbalanced.

In 2013-14 both Spring Valley (in the 93rd Assembly District) and Crivitz (in the 36th Assembly District) became eligible for these crucial funds for rural districts. Unfortunately, due to a small student increase in both districts, both became ineligible in 2015-16.

After meeting with representatives from the Department of Public Instruction, it was determined that both Crivitz and Spring Valley could regain their eligibility with some small changes to sparsity aid as described by Representative Mursau. The Department still has funds that can be distributed specifically for sparsity aid and those funds should be fully utilized for the benefit of our rural schools.

Sparsity aid eligibility for 2015-16 is based on 2014-15 membership, which was 740 full time equivalent (FTE) students for Spring Valley (of which 12 were summer school FTE). By including the summer school students and a small increase in the total number of students, Spring Valley exceeded the 725 student limit.

Spring Valley's 2014-15 sparsity aid amount, \$169,081, was based on 2013-14 membership of 716 (13 summer FTE), and a proration factor of 78.7 percent. Under Assembly Bill 824, Spring Valley would qualify for a portion of the \$300 per pupil sparsity aid (80.6 percent) which equals roughly \$179,131.

This fiscal relief made available to rural school districts is imperative to their success and survival. I ask for your support today for my school district as well as Representative Mursau's. Together we can make a difference for all the public school students who reside in these rural communities.