AN ACT to repeal 118.44; to amend 20.255 (2) (cu), 115.7915 (2) (intro.), 118.38 (1) (a) 9., 118.43 (6) (b) 11., 118.60 (2) (a) (intro.) and 119.23 (2) (a) (intro.); and to create 115.7915 (11), 118.435, 118.60 (12) and 119.23 (12) of the statutes; relating to: terminating parental choice programs and the Special Needs Scholarship Program, repealing the achievement gap reduction program, expanding the student achievement guarantee program, granting rule-making authority, and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill repeals the Achievement Gap Reduction program created in 2015 Wisconsin Act 53, reinstates an expanded Student Achievement Guarantee in Education program, and phases out the Milwaukee, Racine, and statewide parental choice programs (together, choice programs) and the Special Needs Scholarship Program.

Both the AGR and SAGE programs are categorical aid programs that provide funding to participating schools for low-income pupils enrolled in participating grades if the participating school complies with a five-year contract entered into between a school board, on behalf of the participating school, and the Department of Public Instruction. Under the AGR program repealed in this bill, a participating grade is a grade from kindergarten to third grade that is subject to an AGR contract.
The expanded SAGE program established under this bill applies to all grades, from four-year-old kindergarten through grade 12.

Under the AGR program repealed in this bill, a school board must implement one or more of the following strategies in each class in each participating grade at each participating school:

1. Reduce the class size to 18 pupils or, if a classroom has at least two regular classroom teachers, to 30 pupils, and provide professional development on small group instruction.
2. Provide instructional coaching for teachers.
3. Provide one-to-one tutoring to pupils who struggle with reading or math.

Under the expanded SAGE program created in this bill, each participating school must reduce the class size of each class in the school to 18 pupils or, if a classroom has at least two regular classroom teachers, to 30 pupils. In addition, the school board must:

(a) Ensure that certain education and human services are available in each participating school.
(b) Ensure that a rigorous curriculum is provided in each participating school.
(c) Provide staff development and require professional staff accountability for staff in each participating school.

Under the AGR program repealed in this bill, DPI must pay to a school board under an AGR contract a per pupil amount determined by dividing the amount appropriated to the AGR program by the total number of pupils enrolled in a participating class. Under the expanded SAGE program created in this bill, DPI must pay $2,250 for each pupil in a participating class. Under the bill, DPI must annually adjust the per pupil payment to reflect the percentage change in the consumer price index, if that change is positive. The repeal of the AGR takes effect immediately; the bill permits school boards to enter into contracts under the expanded SAGE program in the 2018–19 school year.

Also under this bill, beginning in the 2018–19 school year, no private school may participate in a choice program unless the school was participating in the program in the 2017–18 school year. Also under the bill, no pupil may attend a private school under a choice program unless the pupil was attending that private school under the program in the 2017–18 school year.

Finally, under this bill, beginning in the 2018–19 school year, no private school may accept pupils under the SNSP unless the school was participating in the program in the 2017–18 school year, and no pupil may attend a private school under the SNSP unless the pupil was attending that private school under the program in the 2017–18 school year. Under current law, a child with a disability who meets certain eligibility criteria may receive a scholarship of $12,000 to attend a private school participating in the SNSP.
For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 20.255 (2) (cu) of the statutes is amended to read:

20.255 (2) (cu) Achievement gap reduction guarantee contracts. The amounts in the schedule A sum sufficient for aid to school districts under s. 118.435 and for aid to school districts and the program evaluation under ss. s. 118.43 and 118.44.

SECTION 2. 115.7915 (2) (intro.) of the statutes is amended to read:

115.7915 (2) Scholarship requirements. (intro.) Beginning in the 2016-17 school year, the department shall, subject to sub. (1), provide to a child with a disability a scholarship under sub. (4m) (a) to attend a private school if all of the following apply:

SECTION 3. 115.7915 (11) of the statutes is created to read:

115.7915 (11) Sunset. (a) Beginning in the 2018-19 school year, a child with a disability may not receive a scholarship under this section to attend a private school unless the child attended that private school under a scholarship under this section in the 2017-18 school year.

(b) Beginning in the 2018-19 school year, a private school may not participate in the program under this section unless the private school was participating in the program under this section in the 2017-18 school year.

SECTION 4. 118.38 (1) (a) 9. of the statutes is amended to read:

118.38 (1) (a) 9. The requirements established for achievement guarantee contracts under s. 118.43 and for achievement gap reduction contracts the expanded student achievement guarantee program under s. 118.44 118.435.
SECTION 5. 118.43 (6) (b) 11. of the statutes is amended to read:

118.43 (6) (b) 11. For the 2016-17 2018-19 school year and any subsequent school year, the amount determined under s. 118.44 (6) 118.435 multiplied by the number of low-income pupils enrolled in a grade eligible for funding, and in a class in which the class size has been reduced in the manner required under sub. (3) (a), (am), (ar), or (at) or permitted under sub. (3m), in each school in the school district covered by renewals of contracts under sub. (2) (g).

SECTION 6. 118.435 of the statutes is created to read:

118.435 Expanded student achievement guarantee program; state aid.

(1) LEGISLATIVE FINDINGS. The legislature finds that the voucher program established under ss. 118.60, 2015 stats., and 119.23, 2015 stats., is a failed experiment. The legislature further finds that the student achievement guarantee in education program established under s. 118.43 has had measurable impacts on pupils enrolled in schools that have entered into contracts with the department under that section as compared to pupils who were enrolled in schools not participating in the program established under s. 118.43. These impacts include improved reading academic growth in kindergarten, improved mathematics and reading academic growth from kindergarten through 3rd grade, and a positive effect on students from economically disadvantaged backgrounds completing high school. The legislature finds that the student achievement guarantee in education program should be expanded under this section and that state resources allocated to the voucher program should be redirected to the program under this section.

(2) DEFINITIONS. In this section:

(a) “Class size” means the number of pupils assigned to a regular classroom teacher on the 3rd Friday of September.
(b) “Low-income pupils” means pupils who satisfy the income eligibility criteria under 42 USC 1758 (b) (1).

(c) “Participating school” means an eligible school that is subject to a contract under this section.

(3) Eligibility. (a) Eligible school districts. A school district that has a contract under s. 118.43 or s. 118.44, 2015 stats., on the effective date of this paragraph .... [LRB inserts date], is an eligible school district and may enter into a contract with the department under sub. (4).

(b) Individual school under student achievement guarantee contract. A school is eligible to participate in the program under this section if the school is subject to a contract under s. 118.43 or s. 118.44, 2015 stats., on the effective date of this paragraph .... [LRB inserts date].

(c) Low-income schools. A school is eligible to participate in the program under this section if, in the previous school year, the school had an enrollment that was at least 30 percent low-income pupils.

(4) Contract. (a) Contract with eligible school district. In the 2018–19 school year, the school board of an eligible school district may enter into a 5-year contract with the department on behalf of one or more schools in the school district that are eligible under sub. (3) (b).

(b) Contract with school district of eligible school. Beginning in the 2018–19 school year and in any school year thereafter, the school board of a school district may enter into a 5-year contract with the department on behalf of one or more schools in the school district that are eligible under sub. (3) (c).
(c) **Waiver of contract terms prohibited.** No contract entered into under this section may include a waiver of any requirement of or rule promulgated under the authority of this section.

(5) **Contract requirements.** The department shall require each school board that has entered into a contract under sub. (4) to do all of the following in each participating school:

(a) **Reduction in class size.** Reduce class size in one of the following manners:

1. Reduce the class size in each class in the school to 18 in the following manner:
   a. In the first school year of the contract, in at least the 2 lowest grades taught in the school. For a school that offers elementary grades, the lowest grade is 4-year-old kindergarten.
   b. In the 2nd school year of the contract, in at least the 3 lowest grades taught in the school.
   c. In the 3rd school year of the contract and in every other school year of the contract, in each grade taught in the school.

2. Combine 2 classes subject to the class size limitation under subd. 1. in any school covered by the contract if all of the following apply to that combined class:

   a. The combined class size is not greater than 30.
   b. At least 2 regular classroom teachers are assigned to the combined class.

(b) **Education and human services.** 1. Keep the school open every day from early in the morning until late in the day, as specified in the contract.

   2. Collaborate with community organizations to make educational and recreational opportunities, as well as a variety of community and social services, available in the school to all school district residents.
1 (c) Curriculum. 1. Provide a rigorous academic curriculum designed to improve pupil academic achievement.

2. In consultation with the department and with the participation of the school’s teachers and administrators and school district residents, review the school’s current curriculum to determine how well it promotes pupil academic achievement.

3. If necessary, outline any changes to the curriculum to improve pupil academic achievement.

(d) Staff development and accountability. 1. Develop a one-year program for all newly hired employees that helps them make the transition from their previous employment or school to their current employment.

2. Provide time for employees to collaborate and plan.

3. Require that each teacher and administrator submit to the school board a professional development plan that focuses on how the individual will help improve pupil academic achievement. The plan shall include a method by which the individual will receive evaluations on the success of his or her efforts from a variety of sources.

4. Regularly review staff development plans to determine if they are effective in helping to improve pupil academic achievement.

5. Establish an evaluation process for professional staff members that does all of the following:

   a. Identifies individual strengths and weaknesses.

   b. Clearly describes areas in need of improvement.

(e) Additional contract provisions. Prepare all of the following:
1. A description of how the school will implement each of the elements under pars. (a) to (d), including any alternative class configurations for specific educational activities that may be used to meet the class size requirement under par. (a).

2. A description of the method that the school district will use to evaluate the academic achievement of the pupils enrolled in the school.

3. A description of the school’s performance objectives for the academic achievement of the pupils enrolled in the school and the means that will be used to evaluate success in attaining the objectives. Performance objectives shall include all of the following:
   a. Where applicable, improvement in the scores on the examination administered to pupils under s. 121.02 (1) (r).
   b. The attainment of any educational goals adopted by the school board.
   c. Professional development with the objective of improving pupil academic achievement.
   d. Methods by which the school involves pupils, parents or guardians of pupils, and other school district residents in decisions affecting the school.

4. Subject to subs. (4) (c) and (6) (a), a description of any statute or rule that is waived under s. 118.38 if the waiver is related to the contract.

5. A description of the means by which the department will monitor compliance with the terms of the contract.

(6) Contract renewals. (a) Except as provided in par. (b), a contract under this section may be renewed for one or more terms of 5 school years. No contract renewed under this section may include a waiver of any requirement of or rule promulgated under the authority of this section.
(b) The department may not renew a contract with a school district on behalf of a participating school if the department determines that the school board has failed to comply with the terms of the contract under sub. (5).

(7) **State Aid.** (a) **Payment.** From the appropriation under s. 20.255 (2) (cu), the department shall annually make the following payments:

1. Subject to par. (b), for each school district that has entered into a contract with the department under this section, the department shall pay to the school district $2,250 for each low-income pupil assigned to a classroom in which the class size has been reduced in the manner required under sub (5) (a).

2. Subject to par. (b), for each school district to which the department is required to make a payment under s. 118.43 (6) (b) 11., the department shall pay $2,250 for each low-income pupil described in that subdivision.

(b) **Per pupil adjustment.** Beginning in the 2019-20 school year, the department shall annually modify the per pupil amount specified under par. (a) 1. and 2. by the percentage difference between the consumer price index for the 12-month period ending on December 31 of the preceding school year and the consumer price index for the 12-month period ending on December 31 of the school year before the preceding school year, if positive.

(c) **Use of payment to fulfill contract.** The school board shall use the aid under this section to satisfy the terms of the contract.

(d) **Limitations on payment.** The department shall cease payments under this section to any school district if the school board withdraws from the contract before expiration of the contract.

(e) **Rules.** The department shall promulgate rules to implement and administer the payment of state aid under this subsection.
(8) Evaluation. Beginning in the 2018–19 school year, the department shall arrange for an evaluation of the program under this section and shall allocate from the appropriation under s. 20.255 (2) (cu) $250,000 for that purpose.

Section 7. 118.44 of the statutes is repealed.

Section 8. 118.60 (2) (a) (intro.) of the statutes is amended to read:

118.60 (2) (a) (intro.) Subject to pars. (ag) and (ar) and sub. (12), any pupil in grades kindergarten to 12 who resides within an eligible school district may attend any private school under this section and, subject to pars. (ag), (ar), (be), (bm), and (bs) and sub. (12), any pupil in grades kindergarten to 12 who resides in a school district, other than an eligible school district or a 1st class city school district, may attend any private school under this section if all of the following apply:

Section 9. 118.60 (12) of the statutes is created to read:

118.60 (12) (a) Beginning in the 2018–19 school year, a pupil may not attend a participating private school under this section unless the pupil attended that participating private school under this section in the 2017–18 school year.

(b) Beginning in the 2018–19 school year, a private school may not participate in the program under this section unless the private school was participating in the program under this section in the 2017–18 school year.

Section 10. 119.23 (2) (a) (intro.) of the statutes is amended to read:

119.23 (2) (a) (intro.) Subject to pars. (ag) and (ar) and sub. (12), any pupil in grades kindergarten to 12 who resides within the city may attend any private school if all of the following apply:

Section 11. 119.23 (12) of the statutes is created to read:
119.23 (12) (a) Beginning in the 2018-19 school year, a pupil may not attend a participating private school under this section unless the pupil attended that participating private school under this section in the 2017-18 school year.

(b) Beginning in the 2018-19 school year, a private school may not participate in the program under this section unless the private school was participating in the program under this section in the 2017-18 school year.