## Wisconsin Legislative Council ACT MEMO



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2023 Wisconsin Act 11 [2023 Senate Bill 330] Per Pupil Choice and Charter Payments and School District Revenue Ceiling

## SCHOOL DISTRICT REVENUE CEILING

Under current law, if a school district's base revenue per pupil<sup>1</sup> is less than a statutorily specified revenue ceiling amount in a given year, the school district is allowed to increase its per pupil revenues up to that amount. The revenue ceiling is \$10,000 in the 2022-23 school year and every school year thereafter.

2023 Wisconsin Act 11 raises the revenue ceiling to \$11,000 for the 2023-24 school year and every school year thereafter.

## **PAYMENTS TO CHOICE SCHOOLS AND INDEPENDENT CHARTER SCHOOLS**

State law provides a formula for calculating the amount of per pupil payments made to independent charter schools and private schools participating in the Milwaukee Parental Choice Program (MPCP), Racine Parental Choice Program (RPCP), Wisconsin Parental Choice Program (WPCP), or Special Needs Scholarship Program (SNSP). Payments are calculated by taking the prior year payment amount and adding: (1) the amount of the per pupil revenue adjustment under s. 121.91 (2m), Stats., for the current school year, if positive; and (2) the change in the amount of statewide categorical aid per pupil between the previous school year and the current school year, if positive.

Wisconsin Act 11 adds an increase to the revenue ceiling into the statutory formula for calculating payment amounts, beginning in the 2024-25 school year. Specifically, the act adds the full amount of any positive change in the revenue ceiling to the per pupil adjustment calculation in determining payments for students enrolled in an independent charter school, for students participating in the SNSP, and for students enrolled in grades 9-12 in the MPCP, RPCP, or WPCP. For students enrolled in kindergarten through 8<sup>th</sup> grade in the MPCP, RPCP, or WPCP, the act adds 90 percent of any positive change in the revenue ceiling to the per pupil adjustment calculation.

Additionally, the act makes the following adjustments to the per pupil payments for the 2023-24 school year only:

- For students enrolled in kindergarten through 8<sup>th</sup> grade and participating in MPCP, RPCP, or WPCP, add to the per pupil payment adjustment calculation an amount equal to 10 percent of the revenue ceiling for the 2023-24 school year.
- For students enrolled in grades 9-12 and participating in MPCP, RPCP, or WPCP, add to the per pupil payment adjustment calculation an amount equal to 26.8 percent of the revenue ceiling for the 2023-24 school year.

<sup>&</sup>lt;sup>1</sup> A school district's base revenue per pupil is determined under s. <u>121.905(3)</u>, Stats.

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- For students enrolled in an independent charter school, add to the per pupil payment adjustment calculation an amount equal to 15.7 percent of the revenue ceiling for the 2023-24 school year.
- For students participating in SNSP, add to the per pupil payment adjustment calculation an amount equal to 14.5 percent of the revenue ceiling for the 2023-24 school year.

**Effective date:** June 22, 2023, except for provisions of the act relating to calculating the MPCP, RPCP, WPCP, SNSP, and independent charter school per pupil payments for the 2024-25 school year and each school year thereafter, which take effect on July 1, 2024.

For a full history of the bill, visit the Legislature's <u>bill history page</u>.

EH:jal