
Wisconsin Legislative Council

AMENDMENT MEMO



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2025 Assembly Bill 6

Assembly Amendment 1

2025 ASSEMBLY BILL 6

2025 Assembly Bill 6 makes two changes to current law: (1) it obligates school districts to spend a certain percentage of funds on direct classroom expenditures; and (2) it limits school administrator compensation increases.

The bill requires a school board to spend at least 70 percent of the district's total operating expenditures on direct classroom expenditures. The bill defines "direct classroom expenditures" as expenditures for salaries and benefits of teachers and teacher aides, instructional supplies, tuition, athletic programs, and cocurricular activities. The bill does not define or specify items included within "total operating expenditures."

A school district that fails to meet the 70 percent expenditure threshold must increase its direct classroom expenditures by at least 2 percent in each following year, until it reaches the 70 percent threshold. Additionally, the Department of Public Instruction (DPI) must reduce the state aid of a district that fails to reach the 70 percent threshold, in the amount that the district fell short. If the district does not receive sufficient state aid to cover the difference, the district must reduce its property tax levy and provide refunds to taxpayers.

ASSEMBLY AMENDMENT 1

Assembly Amendment 1 changes the definition of "direct classroom expenditures," creates a definition of "total operating expenditures," and changes how a school district is penalized for failure to meet the 70 percent direct classroom expenditure requirement in the first year that it applies.

First, the amendment changes the definition of "direct classroom expenditures" to mean expenditures by a school board for activities directly associated with the interaction between teachers and pupils, including expenditures for salaries and benefits of teachers and paraprofessionals; expenditures for instructional materials and supplies; expenditures associated with classroom-related activities; and tuition paid under s. 121.78.¹

Next, the amendment defines "total operating expenditures" to mean all operating expenditures by a school board during a fiscal year, including expenditures from federal, state, and local funds and from any other funds received by the school board. The term does not include transportation costs, capital outlay expenditures, debt or bond payments, interest on debt or bonds, facility leases, or rental payments, or any expenditures incurred by a school board to comply with any state mandate to add specific non-classroom staff positions after the effective date of the bill.

¹ This refers to tuition paid by the district for one of its resident students to attend another public school, including an out-of-state school, paid to another district following a school district creation or reorganization, paid for an alternative program or special education placement, or paid as the result of court-ordered educational services. [s. 121.78, Stats.]

Finally, for a school district that violates the 70 percent spending threshold in the first school year after the requirement applies, the amendment provides that DPI will not deduct state aid from the district if the district increases the percentage spent on direct classroom expenditures by at least 2 percent in each succeeding school year until it meets the expenditure requirement.

BILL HISTORY

Assembly Amendment 1 was introduced by Representative Franklin on February 19, 2025. On that date, the assembly adopted the amendment on a voice vote, and passed the bill, as amended, on a vote of Ayes, 53; Noes, 44.

For a full history of the bill, visit the Legislature's [bill history page](#).

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