



RACHAEL A. CABRAL-GUEVARA

STATE SENATOR • 19TH SENATE DISTRICT

Testimony before the Senate Committee on Education

Senator Rachael Cabral-Guevara

May 6, 2025

Hello, members of the Senate Committee on Education. Thank you for allowing me to testify on Senate Bill 58, an important piece of legislation that will provide more information to voters and increase transparency in local referenda.

In recent years, municipalities, counties, and school boards have increasingly utilized their ability to bring referenda to voters across the state in order to spend money on various projects. Many of these projects can have a base cost well above \$100 million, which can often result in accruing millions of dollars' worth of interest on loans and an unclear picture of the real cost per homeowner. These high price tags can lead to higher real burdens on taxpayers than is advertised solely using mill rates.

In circumstances such as this, interest can increase the total cost of referenda dramatically. In one instance, a referendum was brought forward by one of my local school boards to build a new high school. The estimated base cost of the project was \$114.9 million, which appeared on the ballot and was approved by the voters. However, there was an additional \$55 million worth of estimated interest, bringing the total actual cost of the project to just under \$170 million. Although the district was transparent about this interest cost, including it in presentations and posting it on their website, it did not appear on the ballot itself.

To be clear, this bill does not impact the ability of local governments and school boards to bring referenda to voters. Rather, it simply gives voters the full picture of the actual estimated cost of a referendum question. As a state that prides itself on good government, ensuring our constituents have all available information before voting on any given subject is essential to upholding this standard. This bill requires three things: an estimate of total interest payments, fees incurred if the bonds are defeased, and the real property tax impact on a median value, single-family home.

Thank you again for your time. I am hopeful you are able to support this piece of legislation which will help bring more transparency and accountability to our local referendum process.



SCOTT ALLEN

REPRESENTATIVE • 82ND ASSEMBLY DISTRICT

6 May 2025

Testimony on SB 58 by Rep. Scott E. Allen

To Chairman Jagler and Members of the Senate Committee on Education:

Thank you for allowing me to testify on SB 58, relating to greater transparency for taxpayers when it comes to referendums.

Since 2000, referendum requests have gone up significantly, both in quantity of requests and the dollar amount of each request. In theory, these requests are weighed carefully by voters who make an educated choice on whether to increase their taxes for some promised benefits. Is this what really happens in practice?

Let's take a look at a recent referendum question.

BE IT RESOLVED by the School Board of the XYZ School District that the revenues included in the School District budget be authorized to exceed the revenue limit specified in Section 121.91, Wisconsin Statutes, by \$23,000,000 per year beginning with the 2025-2026 school year and ending with the 2029-2030 school year, for non-recurring purposes consisting of operational expenses and debt service for safety and security improvements.

Is a taxpayer being informed enough to make a decision on this referendum question? Does the average taxpayer know what it means for them personally to have their school district spend \$23 million more per year?

That is why this bill is before you today. It's a simple bill that requires a good faith estimate of how much property taxes would increase for the median-valued single-family home as a result of a particular referendum.

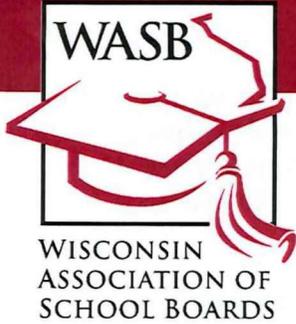
So instead of just voting on \$23 million more per year for school expenses, the ballot would also tell them that if they owned an average home of say \$300,000, they would pay \$200 more per year for the next four years. So now a taxpayer can consider - is providing \$23 million more per year for my school district worth a \$200 tax increase? That allows for an educated choice.

The bill also requires disclosure of the estimated interest rate and how much interest would be paid as well as any fees for early pay off (defeasance). If the school district or local government

will be taking out a bond, then the taxpayer deserves to know that \$23 million voted on will really become, say, \$30 million with interest and fees.

Referendums are about giving people choices, but making a good decision requires information. The information is readily available to school districts and local governments. This bill simply requires that relevant information be shared with voters.

Whether this bill leads to more or less approved referendums is unknown, and it is not the intent of this bill to sway people one way or another on any particular referendum. The point is simply to ensure that voters are given the information that they need so that their decision is informed.



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DANIEL M. ROSSMILLER, EXECUTIVE DIRECTOR

TO: Members, Senate Committee on Education
FROM: Christopher Kulow, WASB Government Relations Director
DATE: May 6, 2025
RE: Senate Bills 58 & 81, relating to school referendum questions and recurring operating referenda.

The Wisconsin Association of School Boards (WASB) is a voluntary membership association representing Wisconsin public school boards.

WASB Resolution 1.26 was approved by member school boards in 2018 and states (in part): “The WASB opposes any limitation on the duration, scope or effect of school referenda.”

We oppose these bills because referenda are the only option available to schools if the state continues to tightly control revenue limits below inflationary increases. School districts do not want to ask their voters to raise their taxes. It’s a matter of last resort. If state policy makers are concerned about the impact on property taxes, a better way to address this is through the state budget by returning to inflationary increases in spendable resources for schools.

SB 58: Currently, whenever a school district must hold a referendum seeking voter approval to issue bonds, the referendum ballot question must include a statement of the purpose for which bonds are to be issued and the maximum amount of the bonds to be issued. This bill would add to that statement a requirement that the ballot question also include:

1. The estimated interest rate and amount of the interest accruing on the bonds.
2. Any fees that will be incurred if the bonds are defeased.
3. A good faith estimate of the dollar amount difference in property taxes on a median-valued, single-family residence located in the local governmental unit that would result from passage of the referendum.

We oppose this bill because we have concerns that it could create a new avenue for legal challenges to bond referenda and bond issuance. The increased risk posed by such potential legal challenges will likely raise the interest that must be paid to market those bonds to bond buyers and could even prevent the sale of such bonds.

In addition, the requirements this bill imposes, while well-intentioned and simple in principle, could be highly problematic in practice for the following reasons:

1) Difficulty Providing This Information on a Ballot Question in a Way That Is Not Confusing

We recognize that the information required under this bill is only an estimate, but we question whether the best way to convey this information is through the context of a ballot question, especially when the

borrowing is for a complex, multi-stage project and the borrowing is split into segments over time. We believe the information required by the bill is often already shared by districts and could better be explained or discussed in the context of an informational meeting or flyer. School districts typically try to inform the public about the tax rate implications of referenda through such methods. The information the bill seeks to require could be presented in similar fashion.

Not every school construction or remodeling project for which borrowing is required is as simple and straightforward as building a new building on vacant land. Sometimes, extensive remodeling or even demolition of all or a portion of a building is involved. Sometimes, that demolition must occur before the new construction can take place. All this work must be built around the school calendar so that children will not be exposed to dangerous or potentially harmful situations. School districts try to complete projects during the summer months to minimize disruption and try to plan their borrowing around those schedules. Each of these factors can add complexity to their borrowing plans.

Faced with this complexity, school districts may find it advantageous to borrow in phases rather than all at once. Sometimes districts issue notes in anticipation of borrowing to provide “bridge” financing. Each of these scenarios may make it difficult to produce an accurate estimate, particularly when interest rates are volatile.

School boards and school administrators also try to get the best bargain possible on the project that best meets the needs of the district, which may involve completing a project in several phases. In such cases, rather than going back to voters multiple times and holding multiple referendums for each phase, school districts may consolidate borrowing for a number of phases into a single referendum ask, even though more than one borrowing will occur.

It becomes even more complicated to place this information on the ballot when the borrowing involves a series of financings, such as, for example, when a school district contemplates using one or more interim short-term financings that are to be refunded with one or more general obligation refunding bonds to provide the permanent financing. Keep in mind that it may be a year or more between referendum approval and marketing of the bonds.

Another complication in trying to implement the bill as drafted is that there may be a variety of interest rates in effect at any given time, based on several variables, including the issuing school district’s bond rating, the district’s plan for financing (use of short-term versus long-term obligations, the number of financings contemplated, etc.) It may not always be possible to sort this out more than 70 days before the date of the referendum election when the ballot question language is voted on and approved by the school board.

Note: We are not aware of any other state that requires the publication of estimated interest amounts on the ballot. We attribute this to the uncertainty of interest rates and the variability in the way borrowings may be structured to best suit the borrowing district’s financial and project completion needs. There are good reasons why states do not impose such requirements.

2) Financing Plans May Change

Financing plans often are not finalized at the time the school district is finalizing the ballot language at least 70 days before the referendum is held. A school district will typically share its estimate of the maximum tax impact of a borrowing referendum as part of the referendum planning process. Most often this is done through the school district’s informational materials; however, school districts do not necessarily share a final financing plan as part of those informational materials as the financing plan may be subject to modifications based on market conditions at the time the financing or financings happen. This is especially true if there is a way to lower the tax impact of the borrowing. Again, keep in mind that it may be a year or more between referendum approval and marketing of the bonds.

If the requirements of this bill make it harder to sell a school district's bonds because of the element of added risk they impose (e.g., the risk that the referendum result or the bond issuance may be challenged legally on the basis that the estimate was somehow not accurate) a district will likely have to offer a higher interest rate in order to sell the bonds. That could mean the bill will either make borrowing more expensive for taxpayers than it would otherwise have to be, or it could prevent a project from taking place at all if the bonds cannot be sold at the estimated interest rate.

3) The Bond Market and Interest Rates are Subject to Change

The bond market and interest rates are subject to change over time. Interest rates are determined by markets that operate nationally and internationally. As a result, rates fluctuate, sometimes going up and sometimes going down. In a rising interest rate environment, it is likely that districts will opt to err on the high side (i.e., overstate) when making these estimates in order not to underestimate these figures, which could potentially subject them to legal challenges. This will generally have the effect of inflating the interest rate and total interest costs.

On the other hand, districts sometimes refinance projects to take advantage of lower interest rates than the rates in effect at the time of the original borrowing. This could mean that taxpayers will pay less than the estimated amount of interest over time. However, because it would be difficult to predict this at the time the ballot question is approved (i.e., at the time the resolution authorizing the borrowing is approved—at least 70 days prior to the referendum ballot) voters might never be informed of such reductions.

For larger financing plans a district may stretch a series of financings out over multiple years so that the district is only borrowing what it needs when it needs it as way to lower interest costs (particularly in a declining interest rate market). When multiple financings occur over multiple years it can become even more complicated and difficult to provide the information the bill would require at the time the ballot question is finalized given the length of time before the final financing will be completed. In a declining interest rate environment, this may reduce borrowing costs. In a rising interest rate environment, the opposite could be true. This bill could eliminate this financing strategy as an option or make it riskier. In the bond market, risk translates into higher interest rates.

School board members are taxpayers within the school districts they represent. It is in the interest of the district—and the board members as taxpayers—to get the best interest rate possible on any borrowing or bonding. This bill could make that task more difficult.

SB 81: This bill eliminates recurring operating referenda and limits a nonrecurring operating referendum to no more than four years.

Recurring referenda are one tool that schools have to provide themselves with some level of predictability for financial planning purposes. Since automatic inflationary increases in revenue limits ended in 2009, there has been a lack of predictability in each state budget cycle creating increased budgetary challenges for schools.

Supporters of this bill argue one set of voters should not be able to raise school spending and taxes on a future set of voters. Future voters still have the opportunity to vote on future referenda or elect school board members who share their view on whether the school district should go to the voters for a referendum.

Supporters have also argued that many voters are unaware the recurring referenda are permanent base building for a school district. Voters and school districts do seem to grasp what it means as we have seen recurring referendum questions are less frequently asked and approved at lower rates as compared to nonrecurring and bonding. In April, of 89 questions on the ballot, five were recurring and only one of those

was approved.

This bill will exacerbate the constant cycle of referenda that schools are already experiencing and will further pull time and resources away from education purposes.

For the reasons identified above, the WASB **opposes** Senate Bills 58 & 81. Thank you for your consideration of this testimony.



Southeastern Wisconsin Schools Alliance

May 6, 2025

To: Members, Senate Committee on Education

From: Cathy Olig, Southeastern Wisconsin Schools Alliance (SWSA) Executive Director

Re: Opposition to Senate Bill 58 and 81

Thank you for the opportunity to provide testimony on Senate Bill 58 and Senate Bill 81.

I am Cathy Olig, the executive director of the Southeastern Wisconsin Schools Alliance (SWSA), representing twenty-six public school districts serving approximately 180,000 students in southeastern Wisconsin. Our members include superintendents, business managers, and school board members. I'm glad to be here with a leadership team from Kenosha Unified School District, who will speak on these two bills.

Our members strongly support transparency in school financing. When forced to go to a referendum, school districts work very hard to provide their communities with detailed information on the purpose of a referendum. The overall cost is one of the main questions that school districts receive. Districts, in partnership with outside financial experts, already provide a good faith estimate of the dollar amount difference in property taxes on a median-valued, single-family residence in their community so residents can see the estimated tax impact. This information is shared with residents through in-person meetings and information sessions, emails, webpages, flyers, local newspaper articles, videos, TV, radio, and more.

School districts need the flexibility to secure the most favorable financing terms and interest rates. Senate Bill 58 could restrict a school district's ability to obtain the best deal possible, resulting in higher costs.

Specific to Senate Bill 81, an operating referendum is the only tool available for districts to use to raise revenue for students. School district leaders take going to a referendum very seriously. Inflation impacts schools too, and public schools don't have the flexibility to raise prices.

If state funding does not fill the gap, schools must reduce investment in students or resort to a referendum. More than 82% of school districts in the state have called for a referendum since revenue limits were established in 1994. In 2024, there were 148 ballot questions for operating referenda for 131 districts. 65% of those questions passed.





Southeastern Wisconsin Schools Alliance

As you will hear from Kenosha school leaders, it takes a lot of time and effort to go to a referendum. Staff members and local taxpayers are suffering from referendum fatigue. The system creates inequities between districts, based on a community's ability to pass a referendum. Senate Bill 81 will create a constant cycle of referenda for local school districts. We would welcome alternatives to referenda, which could be addressed through the budget, but to add further requirements and costs takes focus away from finding solutions to the larger problems plaguing the school finance formula.

If the state had increased funding on par with inflation, there would be less need for districts to pursue referenda from their communities, freeing them to concentrate on student growth and achievement instead of fundraising for basic operational needs and resources.

Great public schools add to the attractiveness of the community. With adequate and equitable funding from a combination of state and local property tax funding, public schools can continue to thrive as schools of choice for families.

Please let me know if you have any questions or require additional information.





To: Members, Senate Committee on Education
From: Tarik Hamdan, Chief Financial Officer
Dr. Todd Price, School Board Member
Dr. Jeffrey Weiss, Superintendent
Re: Opposition SB 58 & SB 81

Thank you for this opportunity to testify regarding SB 58 and 81. I am Jeff Weiss, superintendent for the Kenosha Unified School District. With me is board member, Dr. Todd Price and KUSD CFO Tarik Hamdan.

It is important for me to share some background regarding the Kenosha Unified School District. We are the third largest school district in the state with approximately 18,500 students. We are home to Lakeview HS which was recently ranked the second best high school in the state by U.S. News. Prairie Lane Elementary was nominated for the Blue Ribbon School Award based on high levels of student achievement. Our high quality fine arts programs are known throughout the state for excellence. And our theater program is nationally recognized, as well. We have graduates who are performing on Broadway.

In February, the District brought forward a non-recurring 5 year operating referendum to our community for \$23MM per year. The decision to go to referendum was made after significant deliberation by the school board and gathering of feedback from the community. Painful cuts were made prior to the decision to pursue a referendum. KUSD closed 7 schools, downsized the district office, and cut over 200 positions over the past 3 years. This resulted in \$10MM worth of annual savings, however, it still wasn't sufficient to close our projected \$23MM budget shortfall for the 25-26 SY.

We are responsible stewards of public funds. KUSD, as are many school districts throughout the state, is in an untenable financial position due to the fact that state funding has not kept up with inflation for the past 16 years. During the 21-22 biennium, public school districts across the state received no increases in state funding and were forced to rely on federal ESSER funding. This funding expired September 2024 compounding our budgetary pressures.

Going for a referendum is one of the last things that I want to do as a superintendent. Public education must be a unifying force in a community. Good schools benefit all. Referendum questions divide communities, often along partisan lines. The amount of time, political capital, and money that is spent to bring forward a referendum would be much better spent on improving student achievement and the learning experience for our



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students. In a six week period leading up to the February 18th referendum in Kenosha, we held 4 town hall meetings and over 20 small meetings with local groups such as Rotary, Kiwanis, United Way, Senior Center, town and village meetings and other groups, interviews with 5 television stations and 4 radio stations to explain the need for additional funding.

Unfortunately, this is the only vehicle we have available to increase revenue for the school district. And it is creating significant inequalities throughout the state. The school district directly to the north of Kenosha just passed their referendum. We are in danger of losing our competitive behind other school districts in our area.

Private businesses are able to raise their prices when there are inflationary pressures on labor and resources. School districts are subject to these same inflationary pressures. However, school districts are limited to two methods to increase revenue. We must rely on the state to increase per pupil funding or reimbursements, or we must turn to referendums.

In 2017, the state legislature formed a bi-partisan committee to address the issue of school funding. The Blue Ribbon Panel was co-chaired by Rep. Joel Kinchens and Sen. Luther Olson. At the time this report was published, I was very excited that the state funding issue had been solved. Some of the recommendations in the Panel's report such as special education reimbursement to 60% and 12 equal installments of state aid to school districts would have transformation effects on school funding needs.

Without the implementation of the key provisions of the Blue Ribbon Panel's recommendations, school districts must have the opportunity to ask their communities for additional funding. As I stated earlier, the decision to go to referendum is one that school districts make after serious deliberation.

As far as SB 58, we are in favor of the transparency described in this bill. Providing a clear and consistent fiscal impact for communities is important. However, with multiple municipalities in our attendance area, it is impossible to provide a single median home price for our district. This would put us a position to provide multiple figures regarding the impact of a successful referendum. Instead of creating transparency, this would create confusion.

We also have concerns with SB 81. Every district and community across the state is unique. There are 421 school districts that all have different needs and values. The logic behind limiting referendum periods to 4 years is understandable. However, it does not take into account the need for local control.

And most importantly, operating referenda are a symptom of a larger issue. The state has the playbook to fix this larger problem of state funding by implementing the recommendations of the 2017 Blue Ribbon Commissions' report.

Referendum – Kenosha Unified School District

 kUSD.edu/district/referendum

Referendum

Moving Forward Together

OPERATIONAL REFERENDUM | FEBRUARY 18, 2025

At Kenosha Unified, we are proud of our local schools and the generations of students we have served over the years. Unfortunately, our district is facing serious financial challenges that we must address soon to maintain a quality educational experience for our students.

We are far from alone in facing these challenges. An increasing number of Wisconsin school districts are finding themselves in a similar situation due to rising costs, an outdated state education funding system, and a lack of state aid to public schools in recent years.

As expenses like curriculum, utilities, health insurance, transportation, and salaries continue to increase, our budget challenges will continue to grow. Despite closing multiple schools and reducing staff to balance the 2024-25 budget, we will still face a projected \$19+ million deficit for the upcoming fiscal year and beyond.

Proposed Solution

On **Tuesday, February 18, 2025**, our community will vote on a proposed non-recurring referendum question for Kenosha Unified. If approved, the district will be able to increase its revenue limit by \$23 million per year through the 2029-30 school year. This increase will address the \$19+ million deficit and allow for additional safety enhancements.

This funding would allow us to:

- Substantially reduce the structural deficit to protect class sizes, vital programs, and staff positions.
- Implement and meet our district goal of increasing the percentage of students scoring proficient or advanced in reading and math by 12%.
- Implement state-mandated programs, such as Act 20 and its science of reading practices, to enrich reading instruction and increase student proficiency.
- Retain our high-quality staff, whose dedicated professional time is essential for delivering exceptional education.

- Implement key upgrades to enhance the safety and security of students and staff, including upgrading controlled building entrances, modernizing surveillance systems, reinforcing exterior doors, installing shatter-resistant window film, upgrading digital video recorders, and implementing additional critical safety measures.

If the operational referendum is approved, it would have an estimated initial property tax impact of \$1.25 per year on every \$1,000 of equalized property value in our community. For example, the owner of a home worth \$250,000 would see a property tax increase of \$313 per year (or \$26 per month).



The State Revenue Limit has not kept pace with the rate of inflation since Act 10 was enacted in 2011. If it had, KUSD would have \$31 million more in its base operational budget.



Download our Referendum Fact Sheet (PDF) for easy printing and sharing.

Frequently Asked Questions

Why is KUSD facing financial challenges?

What types of budget deficits is the district projecting in the coming years?
Where can I find information about the 2024-25 and prior budgets?
What has the district done to address budgetary issues?
What process has the district used to find solutions to its financial needs?
What insights did the district and board gain through the recent survey?
What is the proposed solution to address the district's financial challenges? How much is being requested and for how long?
If the referendum is approved, how would the district use the funding support provided?
When was the last time our community approved an operational and/or capital referendum for KUSD?
What is the difference between a capital referendum and an operational referendum?
Are other school districts seeking additional funding through operational referendums?
What is the cost of Act 20?
What is the maximum class size the district aims to maintain?
What are the proposed security updates/changes and how much do they cost?
How would an approved operational referendum affect property taxes?
How will renters in the community be affected by the referendum?
If approved by voters, will the new operational referendum expire?
What would happen if the operational referendum is not approved?
What happens to AP classes, arts, sports, and other programs if the referendum fails?
What happens if state funding increases during the five years?
How is federal funding (e.g. Title I, IDEA, etc.) factored into the budget and what are the risks of federal funding cuts?
Why are teacher wages not competitive if staff retention is critical?
When is election day?
Where can I cast my ballot on election day?
Will there be early voting?
Can I vote absentee in this election?
When is the deadline to register to vote?
What is the exact question that will appear on the ballot?
How would an approved operational referendum benefit students?
How would an approved operational referendum benefit the community?
Can the revenue limit be raised in future years?
Why does the district still have a deficit after rightsizing and receiving federal ESSER funds?
Why were specific schools chosen for closure during rightsizing?
What is being done with closed school buildings?
Why does Kenosha Unified receive less funding per student compared to other districts?
Do teachers have budgets for classroom supplies?
Can tenured teachers be non-renewed?
Has the district considered offering severance pay to non-renewed teachers?

What is the district doing to address declining enrollment?
How is surplus operating capital invested?
How do private schools and the WI voucher program affect the deficit?
Will taxes return to pre-referendum levels after the referendum ends?
How much of the referendum funding supports students with special needs?
How does the district ensure financial accountability for referendums?
Why now? Why wasn't this proposed earlier?
Would the district and board be able to reduce the amount of the referendum in the future if the state unexpectedly provides significantly more funding for schools?
Does the district plan to restore any of the staffing cuts made since 2021 if the referendum is approved?
If maintaining staff is critical and one of the reasons behind this referendum, why does KUSD struggle to remain competitive when it comes to teacher and staff pay?
What maintenance specifically is being postponed that the referendum would address?
KUSD already accounts for 49% of household property taxes. Property taxes have risen faster than inflation in the past 5 years. Why has this exponential increase still led to a deficit?
What actions have been taken to lobby local organizations for donations, sponsorships and or partnerships to aid in reducing the deficit?
Have you considered outsourcing HR, payroll, or facilities?
Have salaries been reduced or have furloughs been considered? Have cuts to board and administrator salaries been considered?
Where can we find information about administrator salaries?
Why isn't there more financial support from the governor and how can we contact our legislators to help? What has the district done to lobby?
Will Reuther and its programs be protected if the referendum fails?
How many staff will be reduced if the referendum fails?
What percentage of the referendum is allocated to school supplies and teacher salary increases?
Where is the funding coming from for the demolition of KTEC East (formerly Lincoln Elementary School)?
Why were windows replaced at Washington Middle School if it was going to close?
Why is the referendum requesting \$3 million annually for safety enhancements when some expenses are one-time costs?
Would a referendum last year have prevented school closures?
How does our budget compare to regional schools like Mukwonago and Arrowhead?
What plans are in place to improve math and reading? Why was 12% chosen for the improvement goal?
What is the cost of a family health care package, and what do employees pay?
How many staff members were let go when schools were closed?

Where can we find information to compare our district to others in terms of class size, student-teacher ratio, and achievement scores?

Why is the referendum happening before the state budget is finalized?

Are there plans to limit impact to home owners whose properties may be \$1 million or more?

How much will the restructuring of KTEC (former charter) to LakeView K-8 Academy (choice school) save?

Is there a long-term solution to school funding?

Why are the closed schools not being kept for future use?

Why aren't district reserves being used to cover the deficit?

If the referendum fails, is there a backup plan for unsecured entrances?

Has the district considered a pay-for-performance model for salary increases?

Can the district charge tuition or raise tuition?

What does prep/professional time include, and why is the estimated cost \$4 million?

How will salary raises be distributed across employee groups?

Why do controlled entrances cost over \$400,000 per school? What does this entail?

How much money was paid to Davis Demographics to establish the rightsizing guidelines?

How much money would the district be looking for IF the Board had followed ALL of the recommendations from Davis Demographics?

I've used the tax calculator for years 1 and 2. What is the proposed cost for years 3 - 5?

What is the long-term plan beyond this five-year referendum? Will another referendum be necessary?

What benefits will teachers receive if the referendum passes?

How do new neighborhoods and businesses affect property tax impact as they are built?

Who is funding the 'yes' campaign materials?

Would reducing the number of school days help financially?

Has the district considered the impact on fixed-income residents? Has a forensic audit been conducted?

How were ESSER funds used?

How can community members get involved to support student learning?

How much funding has been lost due to students unenrolling from KUSD?

How will the referendum help close the achievement gap for students of color and address disparities in behavioral referrals?

What steps are being taken to improve school meal nutrition?

What is the current capacity utilization of district schools?

How is the per-student funding of \$11,350 calculated because I get a different number when I calculate this number?

What is the district doing to improve technology education?

How is the district addressing high school academic performance?

Why do we have an overabundance of sports facilities? Every school has their own football and baseball facilities that are underutilized and need to be maintained.

Did you consider night school like the 1970s?

Why did the Indian Trail JV2 basketball team play a game with a seven hour bus ride there and back? Why do high school teams need two buses to go to away games? (One for JV1 and JV2, and one for varsity.)

I am unclear about the total dollar amount increase that is being proposed. Which schedule does it follow, A or B? (A) 2025-26 \$23M, 2026-27 \$23M, 2027-28 \$23M, 2028-29 \$23M, 2029-30 \$23M for a total of \$115M or (B) 2025-26 \$23M, 2026-27 \$46M, 2027-28 \$69M, 2028-29 \$92M, 2029-30 \$115M for a total of \$345M

What will happen regarding this referendum (including Act 20) if Dept. of Ed is dissolved under the current Presidential administration?

Will summer school be affected if the referendum is not approved?

Why was the referendum vote scheduled for the spring instead of the November general election?

If the referendum doesn't pass, will you be drawing from the general fund in year 1 and come back in year 2 with a new proposal instead of cutting programs?

What will be the per pupil amount if the referendum passes?

How many administrators does KUSD employ per student compared to other districts?

Have there been reductions in administrative staff? If so, how many positions have been cut in the past 10 years?

Will KUSD consider pay cuts or salary freezes for administrators as a cost-saving measure?

What percentage of KUSD's budget goes toward non-teaching administrative salaries?

Have any roles funded by temporary ESSER funds been permanently added to the budget?

How many students are currently in the former Jane Vernon building, and what is its function?

What is the function of Stocker Elementary, and who attends this school?

If the referendum passes, which buildings will receive construction funding, and what is the timeline for improvements?

Will middle school sports be affected if the referendum does not pass?

If KUSD has intervention plans for struggling students, why are some still being promoted to the next grade despite poor performance?

What is the difference between an 'Academy' and a 'Pathway' at ITA? What will happen to students currently in ITA academies if the model changes?

How does KUSD rank statewide in student test scores?

If the referendum does not pass, will it impact school choice options?

How were the \$2 million in school safety grants used, and why wasn't more of that funding allocated to security measures?

With the rise in school-related violence, can KUSD afford not to invest in additional safety measures?

If the referendum fails, will the per pupil amount be frozen for three years?

What impact would proposed legislation, such as House Resolution 899 (to terminate the Department of Education), have on KUSD funding?

How much state funding could KUSD receive if Governor Evers' proposed education budget increase is approved?

Are property tax increases from the referendum compounded yearly, or is the increase fixed?

Has KUSD considered alternative funding solutions, such as reaching out to philanthropic organizations or implementing a user tax?

Why aren't all public questions read aloud and answered during board meetings?

What steps will KUSD take to ensure student and staff safety if the referendum does not pass?

Is there a citizen committee that reviews administrator salaries and job descriptions? How can residents get involved?

If the referendum passes, how much of the funding will go towards vouchers for private schools?

Our taxes increased by \$600 this year in my community. How can families afford an additional \$320-\$360, along with an unexpected deficit they are already dealing with?

Have you considered another vote later when the government has settled down? Why couldn't this have waited for the new state superintendent? Could we have asked for half the amount and borrowed the difference while waiting for the government to settle and our state to get a new superintendent?

If the referendum passes, will it support more options for gifted students in grades K-8?

What is Act 20?

More Questions?

We understand that our community may have questions about the referendum and why it's necessary, and we want to answer them so you can make an informed decision on Feb. 18. If you have **questions about the referendum, please submit them below.**

[Submit a Question](#)

Tax Impact Estimator

Year 1 (2025-26)

The initial property tax impact of the KUSD referendum would be approximately **\$125** per every **\$100,000** of assessed property at fair market value for the **2025-26** school year. For example, a home valued at **\$250,000** (the average home price in the City of Kenosha) could expect to see an impact of **\$313** per year as compared to the current year **2024-25**.

Year 2 (2026-27)

The following year, property values are projected to grow by **5.86%** and we expect to be aided **16%** on the additional \$23 MM of spending so the property tax impact of the KUSD referendum would change to approximately **\$91** per every **\$100,000** of assessed property at fair market value for the **2026-27** school year. For example, a home valued at **\$264,650** (the adjusted average home price in the City of Kenosha) could then expect to see an impact of **\$241** per year as compared to the current year **2024-25**.

Fair Market Value (Enter Value):

\$

Year 1

- **Mill Rate (Tax per Thousand):** \$1.25
- **Estimated Annual Tax Increase:**

Year 2

- **Estimated Fair Market Value:**
- **Mill Rate (Tax per Thousand):** \$0.91
- **Estimated Annual Tax Increase:**

Videos



Watch Video At: <https://youtu.be/LIBk4cWtHhM>



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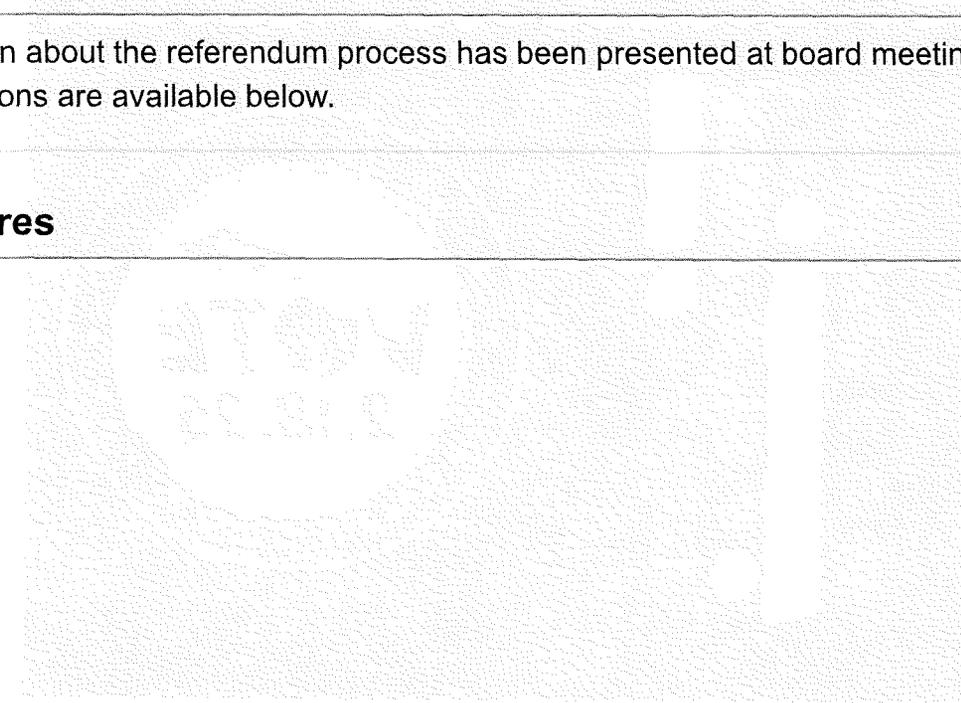


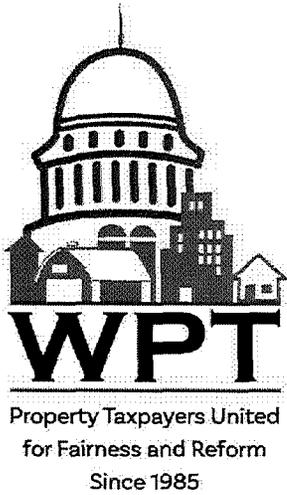
Watch Video At: <https://youtu.be/rkBGFXodFSE>

Presentations

Information about the referendum process has been presented at board meetings. The presentations are available below.

Brochures





TO: Senate Committee on Education

FROM: Paul Rozeski, Director of Government Affairs & Member Relations, WPT

Date: May 6, 2025

RE: Senate Bill 058 - Relating to: Referendum questions for certain referenda that affect property taxes.

Good morning, Chairman Jagler, Vice Chair Quinn, and members of the committee. Thank you for allowing me to share this testimony in favor of Senate Bill 58 on behalf of the members of the Wisconsin Property Taxpayers.

Statewide, part of our mission is to inform and educate our membership on the impacts their taxes have at the local and state level. An informed citizen and informed voter is empowered to make informed decisions.

In particular, I am here on behalf of multiple members in the Monroe area who felt they were misled about the impact that a referendum would have on their property taxes. The levy increased considerably more than many were led to believe. This was one of a series of missteps in communication and transparency that eventually led to multiple board members either resigning or not winning re-election. This bill would have put the information into plain, unambiguous language. Not only listing the ways this will benefit a voter's school district and community, but also knowing what the impact will be, is a recipe for a more informed decision.

This is one of multiple proposals this session to help inform voters, in plain language, of their role in shaping their community, and I encourage this committee to support empowering and educating your constituents with your support of this bill.

Wisconsin Property Taxpayers is comprised of thousands of small businesses, farms, and homeowners in all 72 of the state's counties. Founded in 1985, the organization committed to providing its members with up-to-date information, legislative advocacy, and exclusive cost-saving benefits.

Paul Rozeski
Director of Member Services and
Government Relations

P.O. Box 280
Greenwood, WI 54437

Office - 608-255-7473

May 6, 2025

**Senate Committee on Education
Department of Public Instruction Testimony
2025 Senate Bill 58**

The Department of Public Instruction (DPI) thanks Chair Jagler and members of the committee for the opportunity to share testimony on Senate Bill 58 (SB 58).

The DPI is in opposition to SB 58.

Wisconsin law empowers school boards with the supervision and management of schools (Wis. Stat. ss. [118.24\(2\)\(a\)](#), [119.16\(1m\)](#), [120.12\(1\)](#), [120.44\(2\)](#)). Elected by local residents, the DPI believes that these boards are best positioned to ensure that funds are expended in accord with the needs of the community. When working with taxpayers to address challenges, school boards require flexibility to quickly address issues as circumstances change.

With the aim of providing increased transparency, SB 58 requires that referenda, to exceed property tax levy limits for operations or to issue debt, must include a good faith estimate of how the change would affect property taxes on a median-valued, single-family home within the jurisdiction. For debt referenda, additional requirements include disclosing the estimated interest rate, the total amount of interest to be paid over the life of the bonds, and any fees incurred if the bonds are defeased early.

With the creation of revenue limits, school districts cannot generally acquire increased revenue (beyond statutory per pupil adjustments) without first utilizing a lengthy, public referenda process that only succeeds with taxpayer support. When educating the public about an upcoming referendum vote, districts provide taxpayers with information regarding the measure's impact on schools and the community. However, by requiring single point-in-time disclosures, SB 58 imposes an undue burden on school boards that will likely yield complications rather than clarity.

Senate Bill 58 imposes significant burdens on school boards by requiring calculations and interest rate information that may not be available when referenda are proposed for the ballot or even at the time of a referendum vote. This is particularly problematic for a board seeking approval of a bond authorization referendum because a year or more may pass from when the school board adopts a resolution to hold a debt referendum, to when the bonds are sold. As a referendum vote happens prior to the actual debt issuance, specific information concerning the total interest and related debt service costs will not be available. Macroeconomic factors, Federal Reserve policy, and rating agency decisions can cause the actual rates to vary significantly from projections.

Senate Bill 58 will also impose additional administrative and financial burdens on school districts by requiring them to calculate and disclose estimated property tax impacts and detailed borrowing costs in referenda questions. These new requirements may necessitate hiring financial

consultants or legal experts to ensure compliance, increasing district expenditures. Additionally, by portraying bond issues similarly to bank loans and requiring cost estimates before the bidding process, SB 58 could reduce competitive bidding, potentially leading to higher interest rates and borrowing costs.

Instead of fostering transparency and helping taxpayers make informed choices, SB 58 may expose school districts to legal liability. A bond issue is a collection of individual bonds maturing on specific dates with each having its own interest rate, which are not known until the bonds are sold in a public auction following voter approval of the referendum. If a school district is strictly bound to the terms of the resolution, it loses flexibility in managing bond market fluctuations and hazards potential exposure to legal challenges should actual costs differ from those specified in the resolution or referendum.

Open meetings laws, required election disclosures, and being led by elected officials responsive to the needs of the community already ensure sufficient transparency in the school district referenda approval process. For all these reasons, the DPI urges you to oppose SB 58.

Thank you for allowing DPI to share this testimony. Please direct any questions to Kim Vercauteren, Policy Initiatives Advisor, at kimberly.vercauteren@dpi.wi.gov.