

PUBLIC INSTRUCTION

Budget Summary							
Fund	2018-19 Base Year Doubled	2019-21 Governor	2019-21 Jt. Finance	2019-21 Legislature	2019-21 Act 9	Act 9 Change Over Base Year Doubled	
						Amount	Percent
GPR	\$12,582,092,400	\$14,175,452,300	\$13,237,514,100	\$13,237,514,100	\$13,308,403,900	\$726,311,500	5.8%
FED	1,761,404,600	1,762,171,600	1,762,171,600	1,762,171,600	1,762,171,600	767,000	0.0
PR	93,769,200	94,924,600	94,562,400	94,562,400	94,562,400	793,200	0.8
SEG	<u>114,249,800</u>	<u>124,096,900</u>	<u>122,596,900</u>	<u>122,596,900</u>	<u>122,596,900</u>	<u>8,347,100</u>	7.3
TOTAL	\$14,551,516,000	\$16,156,645,400	\$15,216,845,000	\$15,216,845,000	\$15,287,734,800	\$736,218,800	5.1%

FTE Position Summary						
Fund	2018-19 Base	2020-21 Governor	2020-21 Jt. Finance	2020-21 Legislature	2020-21 Act 9	Act 9 Change
						Over 2018-19 Base
GPR	252.47	257.47	252.47	252.47	252.47	0.00
FED	319.84	311.84	311.84	311.84	311.84	- 8.00
PR	76.69	76.69	76.69	76.69	76.69	0.00
SEG	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL	649.00	646.00	641.00	641.00	641.00	- 8.00

Budget Change Items

General School Aids and Revenue Limits

1. STATE SUPPORT FOR K-12 EDUCATION [LFB Paper 550]

Governor: Provide \$6,236,960,300 in 2019-20 and \$8,032,250,800 in 2020-21 for general and categorical school aids. Compared to the 2018-19 base level funding of \$5,899,757,400, school aids would increase by \$337,202,900 (5.7%) in 2019-20 and \$2,132,493,400 (36.1%) in 2020-21. These proposed funding levels would represent annual changes to the prior year of 5.7% in 2019-20 and 28.8% in 2020-21. The 2020-21 funding includes \$1,090,000,000 that would be transferred from the school levy and first dollar credits to general school aids, and would be paid in July of 2021. If this transfer is subtracted from state aid in 2020-21, the proposed funding level in that year would represent a 17.7% change to the base and a 11.3% increase to the prior year.

Under the definition of state funding for support of K-12 education (the sum of state general and categorical school aids, the school levy and first dollar credits, and the general program operations appropriation for the program for the deaf and the center for the blind), the bill would increase state support from the base amount of \$7,000,676,300 in 2018-19 to \$7,338,888,700 in 2019-20 and \$8,044,179,200 in 2020-21. These proposed funding levels would represent annual changes to the prior year of 4.8% in 2019-20 and 9.6% in 2020-21.

Using the definition of partial school revenues (the sum of state school aids and property taxes levied for school districts), the administration estimates that state support of partial school revenues would increase from 65.4% in 2018-19 to approximately 66.7% in 2019-20 and 68.6% in 2020-21. These estimates incorporate the state support funding in the bill, which is presented in Table 1.

Joint Finance/Legislature: Provide \$6,029,727,700 in 2019-20 and \$6,272,949,700 in 2020-21 for general and categorical school aids. Compared to the Governor's recommendations, school aids would be reduced by \$207,232,600 in 2019-20 and \$1,759,301,100 in 2020-21. If the \$1,090,000,000 transfer from the school levy and first dollar credits under the Governor's recommendations is excluded, the 2020-21 reduction would be \$669,301,100. Compared to the 2018-19 base year, school aids would increase by \$129,970,300 (2.2%) in 2019-20 and \$373,192,300 (6.3%) in 2020-21. These proposed funding levels would represent annual changes to the prior year of 2.2% in 2019-20 and 4.0% in 2020-21.

Using the traditional definition of state support of K-12 education, total funding would increase from \$7,000,676,300 in 2018-19 to \$7,131,656,100 in 2019-20 and \$7,374,878,100 in 2020-21. These funding levels would represent annual changes to the prior year of 1.9% in 2019-20 and 3.4% in 2020-21. With the changes to K-12 school finance adopted by Joint Finance and the Legislature, it is estimated that state support of partial school revenues under the traditional definition would be 65.1% in 2019-20 and 65.5% in 2020-21.

Vetoes by Governor [B-15, B-28, B-29, B-30]: By increasing the payment amount for per pupil aid, eliminating funding for the personal electronic computing device program, and deleting the appropriations for grants to the Lakeland STAR schools and for grants for robot-assisted educational programs for pupils with autism, the Governor's vetoes increase the net amount of funding for categorical aids by \$43,104,700 GPR in 2019-20 and \$22,384,500 GPR in 2020-21 compared to the enrolled bill as passed by the Legislature. Using the traditional definition, state support under Act 9 is estimated to be 65.3% in 2019-20 and 65.5% in 2020-21.

A summary of the funding amounts for state support under the recommendations of the Governor, under Joint Finance and the Legislature, and under Act 9 is presented in Table 1. Table 2 provides an outline of state support for K-12 education by individual fund source. Table 3 presents the Act 9 funding level for each general and categorical school aid program as compared to the 2018-19 base funding level. The provisions relating to individual school aid programs are summarized in the items that follow.

TABLE 1**State Support for K-12 Education**

<u>State Funding</u>	<u>2018-19 Base Year</u>	<u>Governor</u>		<u>Joint Finance/Legislature</u>		<u>Act 9</u>	
		<u>2019-20</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2020-21</u>
General School Aids	\$4,673,678,000	\$4,878,678,000	\$6,177,500,000	\$4,756,878,000	\$4,920,420,000	\$4,756,878,000	\$4,920,420,000
Categorical Aids	1,226,079,400	1,358,282,300	1,854,750,800	1,272,849,700	1,352,529,700	1,315,954,400	1,374,914,200
School Levy Tax Credit	940,000,000	940,000,000	0	940,000,000	940,000,000	940,000,000	940,000,000
First Dollar Credit	150,000,000	150,000,000	0	150,000,000	150,000,000	150,000,000	150,000,000
State Residential Schools	<u>10,918,900</u>	<u>11,928,400</u>	<u>11,928,400</u>	<u>11,928,400</u>	<u>11,928,400</u>	<u>11,928,400</u>	<u>11,928,400</u>
Total	\$7,000,676,300	\$7,338,888,700	\$8,044,179,200	\$7,131,656,100	\$7,374,878,100	\$7,174,760,800	\$7,397,262,600
Change to Prior Year:							
Amount		\$338,212,400	\$705,290,500	\$130,979,800	\$243,222,000	\$174,084,500	\$222,501,800
Percent		4.8%	9.6%	1.9%	3.4%	2.5%	3.1%
Change to Base:							
Amount		\$338,212,400	\$1,043,502,900	\$130,979,800	\$374,201,800	\$174,084,500	\$396,586,300
Percent		4.8%	14.9%	1.9%	5.3%	2.5%	5.7%

TABLE 2**State Support for K-12 Education by Fund Source**

<u>State Funding</u>	<u>2018-19 Base Year</u>	<u>Governor</u>		<u>Joint Finance/Legislature</u>		<u>Act 9</u>	
		<u>2019-20</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2020-21</u>
GPR							
General School Aids	\$4,673,678,000	\$4,878,678,000	\$6,177,500,000	\$4,756,878,000	\$4,920,420,000	\$4,756,878,000	\$4,920,420,000
Categorical Aids	1,171,587,700	1,308,915,600	1,804,221,900	1,215,958,000	1,294,738,000	1,259,062,700	1,317,122,500
School Levy Tax Credit	940,000,000	940,000,000	0	940,000,000	940,000,000	940,000,000	940,000,000
First Dollar Credit	150,000,000	150,000,000	0	150,000,000	150,000,000	150,000,000	150,000,000
State Residential Schools	<u>10,918,900</u>	<u>11,928,400</u>	<u>11,928,400</u>	<u>11,928,400</u>	<u>11,928,400</u>	<u>11,928,400</u>	<u>11,928,400</u>
GPR Subtotal	\$6,946,184,600	\$7,289,522,000	\$7,993,650,300	\$7,074,764,400	\$7,317,086,400	\$7,117,869,100	\$7,339,470,900
PR							
Categorical Aids	\$1,507,500	\$1,507,500	\$1,769,700	\$1,507,500	\$1,507,500	\$1,507,500	\$1,507,500
SEG							
Categorical Aids	<u>\$52,984,200</u>	<u>\$47,859,200</u>	<u>\$48,759,200</u>	<u>\$55,384,200</u>	<u>\$56,284,200</u>	<u>\$55,384,200</u>	<u>\$56,284,200</u>
Total State Support - All Funds	\$7,000,676,300	\$7,338,888,700	\$8,044,179,200	\$7,131,656,100	\$7,374,878,100	\$7,174,760,800	\$7,397,262,600

TABLE 3

**General and Categorical School Aid by Funding Source
2018-19 Base Year Compared to Act 9**

Agency	Type and Purpose of Aid	2018-19 Base Year	Act 9		2019-21 Change to Base Year Doubled	
			2019-20	2020-21	Amount	Percent
General Aid						
DPI	General School Aids	\$4,656,848,000	\$4,740,048,000	\$4,903,590,000	\$329,942,000	3.5%
	High Poverty Aid	<u>16,830,000</u>	<u>16,830,000</u>	<u>16,830,000</u>	<u>0</u>	0.0
	Total General Aid	\$4,673,678,000	\$4,756,878,000	\$4,920,420,000	\$329,942,000	3.5%
Categorical Aid--GPR Funded						
DPI	Per Pupil Aid	\$549,098,400	\$619,124,800	\$616,973,000	\$137,901,000	12.6%
	Supplemental Per Pupil Aid	0	2,800,000	2,500,000	5,300,000	N.A.
	Special Education	368,939,100	384,472,300	450,276,200	96,870,300	13.1
	High-Cost Special Education Aid	9,353,800	9,353,800	9,353,800	0	0.0
	Supplemental Special Education Aid	1,750,000	1,750,000	0	-1,750,000	-50.0
	Spec. Ed. Transitions Incentive Grants	3,600,000	3,600,000	3,600,000	0	0.0
	Transition Readiness Investment Grant	1,500,000	1,500,000	1,500,000	0	0.0
	Achievement Gap Reduction	109,184,500	109,184,500	109,184,500	0	0.0
	SAGE -- Debt Service	133,700	133,700	133,700	0	0.0
	Sparsity Aid	25,213,900	24,713,900	24,813,900	-900,000	-1.8
	Pupil Transportation	24,000,000	24,000,000	24,000,000	0	0.0
	High Cost Transportation	12,700,000	13,500,000	13,500,000	1,600,000	6.3
	Personal Electronic Computing Device Grants	9,187,500	0	0	-18,375,000	-100.0
	Bilingual-Bicultural Aid	8,589,800	8,589,800	8,589,800	0	0.0
	Tuition Payments	8,242,900	8,242,900	8,242,900	0	0.0
	Head Start Supplement	6,264,100	6,264,100	6,264,100	0	0.0
	Educator Effectiveness Grants	5,746,000	5,746,000	5,746,000	0	0.0
	School Lunch	4,218,100	4,218,100	4,218,100	0	0.0
	County Children with Disabilities Educ. Boards	4,067,300	4,067,300	4,067,300	0	0.0
	Performance Improvement Grants	3,690,600	3,690,600	0	-3,690,600	-50.0
	Mental Health Services Grants	3,250,000	6,500,000	6,500,000	6,500,000	100.0
	Aid for School Mental Health Programs	3,000,000	6,000,000	6,000,000	6,000,000	100.0
	School Breakfast	2,510,500	2,510,500	2,510,500	0	0.0
	Peer Review and Mentoring	1,606,700	1,606,700	1,606,700	0	0.0
	MPS Summer School Grant Program	1,400,000	1,400,000	1,400,000	0	0.0
	Four-Year-Old Kindergarten Grants	1,350,000	1,350,000	1,350,000	0	0.0
	School Day Milk	617,100	1,000,000	1,000,000	765,800	62.0
	Rural School Teacher Talent Pilot Program	500,000	1,500,000	1,500,000	2,000,000	200.0
	Aid for Transportation--Open Enrollment	454,200	454,200	454,200	0	0.0
	Robotics League Participation Grants	250,000	500,000	500,000	500,000	100.0
	Gifted and Talented	237,200	237,200	237,200	0	0.0
	Supplemental Aid	100,000	100,000	100,000	0	0.0
DOA	Debt Service -- Tech. Infrastructure Bonding	<u>832,300</u>	<u>952,300</u>	<u>1,000,600</u>	<u>288,300</u>	17.3
	Total Categorical Aid--GPR Funded	\$1,171,587,700	\$1,259,062,700	\$1,317,122,500	\$233,009,800	9.9%
Categorical Aid--PR Funded						
DPI	AODA	\$1,284,700	\$1,284,700	\$1,284,700	\$0	0.0%
	Tribal Language Revitalization Grants	<u>222,800</u>	<u>222,800</u>	<u>222,800</u>	<u>0</u>	0.0
	Total Categorical Aid--PR Funded	\$1,507,500	\$1,507,500	\$1,507,500	\$0	0.0%
Categorical Aid--SEG Funded						
DPI	School Library Aids	\$37,000,000	\$39,400,000	\$40,300,000	\$5,700,000	7.7%
DOA	Educ. Telecommunications Access Support	<u>15,984,200</u>	<u>15,984,200</u>	<u>15,984,200</u>	<u>0</u>	0.0
	Total Categorical Aid--SEG Funded	\$52,984,200	\$55,384,200	\$56,284,200	\$5,700,000	5.4%
	Total Categorical Aid--All Funds	\$1,226,079,400	\$1,315,954,400	\$1,374,914,200	\$238,709,800	9.7%
	Total School Aid--All Funds	\$5,899,757,400	\$6,072,832,400	\$6,295,334,200	\$568,651,800	4.8%

2. GENERAL SCHOOL AID BASE FUNDING INCREASE [LFB Paper 550]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$611,322,000	-\$281,380,000	\$329,942,000

Governor: Provide \$205,000,000 in 2019-20 and \$406,322,000 in 2020-21 for general school aids. Base level funding is \$4,656,848,000.

Joint Finance/Legislature: Delete \$121,800,000 in 2019-20 and \$159,580,000 in 2020-21 for general school aids. Under Joint Finance, general school aids funding would increase by \$83,200,000 in 2019-20 and \$246,742,000 in 2020-21 above base level.

3. BUYBACK OF CURRENT LAW GENERAL SCHOOL AID PAYMENT DELAY [LFB Paper 551]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$75,000,000	-\$75,000,000	\$0

Governor: Provide \$75,000,000 in 2019-20 for general school aids and, beginning in the 2019-20 school year, delete the current law provisions under which the state annually pays that amount of aid on a delayed basis on the fourth Monday in July of the following school year. To distribute the correct amount of funding, specify that, for the purpose of calculating general school aid in the 2019-20 school year, DPI would treat the appropriation as if there were no buyback.

Under current law, equalization aid is distributed to districts according to the following payment schedule: 15% on the third Monday in September; 25% on the first Monday in December; 25% on the fourth Monday in March; and 35% on the third Monday in June. Total aid entitlements on each of the four dates are reduced by the percentage that generates the \$75 million amount for the school year.

Joint Finance/Legislature: Delete provision.

4. TWO-THIRDS FUNDING OF PARTIAL SCHOOL REVENUES [LFB Paper 552]

Governor: Beginning in 2020-21, restore the requirement that that state fund two-thirds of K-12 partial school revenues and the associated statutory provisions that existed prior to its repeal in the 2003-05 biennial budget, as modified to reflect changes to K-12 funding provisions in the intervening time.

Define "partial school revenues" as the sum of state school aids, property taxes levied for school districts, and computer aid payments to school districts, less the following: (a) the amount of any revenue limit increase due to a school board's increasing the services that it provides by

adding responsibility for providing a service transferred to it from another school board; (b) the amount of any revenue limit increase due to a school board increasing the services that it provides by adding responsibility for providing a service that is transferred to it from another governmental unit for a child with a disability or for a limited-English proficient pupil; (c) the amount of any revenue limit increase due to a district depositing funds into a specified capital improvement fund; (d) the amount of property taxes levied for community service activities; (e) an amount equal to the net general aid reduction to the Milwaukee Public Schools' aid entitlement related to the Milwaukee private school choice program; and (f) the amount by which the property tax levy for debt service on referenda-approved debt referendum exceeds \$490 million.

Define "state school aids" as the amounts appropriated under s. 20.255(2), which is the statutory subsection containing the aids for local educational programming, less the appropriations for federal and program revenue aid appropriations and the appropriations for the private school choice, independent charter school, and special needs scholarship programs, which are also under s. 20.255(2), plus the general program operations appropriation for the program for the deaf and hard of hearing and the center for the blind and visually impaired, plus the DOA appropriation for debt service costs for educational technology infrastructure financial assistance to school districts and the amount, as determined by the DOA Secretary, in the DOA appropriation for telecommunications access for educational agencies allocated for payments to telecommunications providers under contracts with school districts and cooperative educational service agencies and to make information technology infrastructure grants.

Require the Departments of Public Instruction and Administration and the Legislative Fiscal Bureau to jointly certify, by May 15, 2021, and annually by May 15 thereafter, to the Joint Committee on Finance an estimate of the amount necessary to appropriate in the general school aids appropriation in the following school year to ensure that state school aids equal two-thirds of partial school revenues. Require the Joint Committee on Finance, by June 30, 2020, and biennially by June 30 thereafter, to determine the amount appropriated in the general school aids appropriation in following school year. Modify the general school aids appropriation from a sum certain appropriation to a sum sufficient equal to the amount determined by Joint Finance in the 2020-21 fiscal year and biennially thereafter, and equal to the amount determined by law in the 2021-22 fiscal year and biennially thereafter.

Joint Finance/Legislature: Delete provision.

5. REALLOCATE PROPERTY TAX CREDIT FUNDING TO GENERAL SCHOOL AIDS APPROPRIATION

Governor: Eliminate the school levy tax credit and the first dollar tax credit beginning with the 2020(21) property tax year and, instead, distribute the base level of funding (\$1,090 million) through the general school aids formula. Specify that the \$1,090 million would be paid to school districts on the fourth Monday in July of the following school year, similar to the current law \$75 million delayed payment of general school aid. Because the two credits are paid on a delayed basis in July under current law, there would be no increase in general fund expenditures in the 2019-21 biennium under this item. To distribute the correct amount of funding, specify that, for the purpose of calculating general school aid in the 2020-21 school year, DPI would treat the appropriation as

if there were no payment delay. [See "Shared Revenue and Tax Relief -- Property Tax Credits" for more information on this item.]

A major objective of the equalization aid formula is tax base equalization. The formula operates under the principle of equal tax rate for equal per pupil expenditures. Districts with low per pupil property valuations receive a larger share of their costs through the formula than districts with high per pupil property valuations. The school levy tax credit (\$940 million in 2018-19) is distributed based on each municipality's share of statewide levies for school purposes during the preceding three years multiplied by the annual amount appropriated for the credit and allocated proportionately to reduce individual owners' property tax bills. The first dollar credit (\$150 million in 2018-19) is extended to each taxable parcel of real estate on which improvements are located and is calculated by multiplying the property's gross school tax rate by a credit base value determined by the Department of Revenue or the property's fair market value, whichever is less. These credits are shared with all levying units through the tax settlement process.

Joint Finance/Legislature: Delete provision.

6. REALLOCATE HIGH POVERTY AID TO GENERAL SCHOOL AIDS APPROPRIATION [LFB Paper 553]

Governor: Eliminate high poverty aid and reallocate base funding of \$16,830,000 to the general school aids appropriation, beginning in 2020-21.

High poverty aid is distributed to districts with at least 50% of their enrollment eligible for free or reduced-price lunch. Aid per pupil is calculated by dividing the amount of funding appropriated by the total membership in all eligible districts, with a district's total payment determined by multiplying that amount by each district's membership.

Joint Finance/Legislature: Delete provision.

7. WEIGHTING ECONOMICALLY DISADVANTAGED PUPILS IN PROPERTY VALUES [LFB Paper 553]

Governor: Specify that each economically disadvantaged pupil would be weighted by an additional 20% (be counted as 1.2 pupil rather than 1.0 pupil) for purposes of the membership count used in calculating equalized value per member under the general school aids formula, beginning with the 2020-21 distribution of general school aids. This would be accomplished by adding 20% of the number of pupils who satisfy the income eligibility criteria for a free or reduced-price lunch to each school district's membership for this calculation. DPI indicates that pupil membership would have increased by 63,900 (from 319,600 economically disadvantaged pupils) had the provision been in effect for the 2018-19 aid year.

Under current law, each full-time pupil in grades 1 through 12 is counted as 1.0 pupil in membership. Five-year-old kindergarten students are counted on a full-time equivalency basis, and four-year-old kindergarten students are counted as 0.5 or 0.6 pupil, depending upon the amount of outreach programming provided. The effect of using an additional 20% weight for low-income

pupils when calculating equalized value per member is that the value per member calculation for districts with such pupils would be lower than under current law. Because each district's value per member is compared to three guarantees under the equalization formula, with the formula supplying aid to fund the portion of guaranteed tax base that the district is missing, a district that under this item has a lower value per member will generally receive more aid than otherwise. This provision would not, however, automatically result in a district receiving 20% more in aid for each low-income pupil.

Joint Finance/Legislature: Delete provision.

8. SPECIAL ADJUSTMENT AID [LFB Paper 554]

Governor: Specify that special adjustment aid would be calculated based on 90% of a district's prior year general aid payment, beginning with the 2020-21 distribution of general school aids.

Under current law, special adjustment aid is equal to the amount needed to make an eligible district's total general aid eligibility equal to 85% of the district's prior year general aid payment. This item would raise the percentage to 90%, further limiting year-to-year declines in a district's general aid payment.

Joint Finance/Legislature: Delete provision.

9. MINIMUM AID [LFB Paper 555]

Governor: Beginning with the 2020-21 distribution of general school aids, specify that if the sum of a school district's equalization and special adjustment aid entitlements is less than an amount equal to \$3,000 per pupil multiplied by the district's aid membership, minimum aid would be paid in an amount equal to the difference between those two numbers.

Under current law, the formula does not include any provision relating to minimum aid, so that a school district with equalized value per member in excess of the primary guarantee (\$1,930,000 per member) will not receive aid, although it may qualify for special adjustment aid. However, under current law, property taxpayers in every school district benefit from the school levy tax credit. Those taxpayers with an improvement on each taxable parcel benefit from the first dollar credit. These credits would be eliminated under the bill.

Joint Finance/Legislature: Delete provision.

10. SECONDARY COST CEILING [LFB Paper 556]

Governor: Set the secondary cost ceiling at 100% of the prior year statewide shared cost per member, beginning with the 2020-21 distribution of general school aids.

Under current law, the secondary cost ceiling is set at 90% of the prior year statewide shared

cost per member. Had this item applied for the 2018-19 aid distribution, the secondary cost ceiling would have been \$10,810, rather than \$9,729 as under current law. Under this item, more costs would have been aided at the secondary level with its more generous guarantee, so that the lower level of state aid under the tertiary guarantee would only apply to school districts for shared costs that exceed the statewide average.

Joint Finance/Legislature: Delete provision.

11. HOLD HARMLESS AID [LFB Paper 557]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$7,500,000	- \$7,500,000	\$0

Governor: Create a sum sufficient appropriation from the general fund for hold harmless aid, and provide \$7,500,000 for payments in 2020-21. Specify that if a school district would receive less in equalization aid in 2020-21, before any prior year aid adjustments are made, than it would receive from the sum of general aid, the school levy credit had it still been applicable, and high poverty aid had it still been applicable, the Department would pay the district an amount equal to the difference. Provide that, for a district from which territory is detached to create a new district, the district's prior year aid total would be adjusted by the proportion of pupil membership remaining in the district after the detachment. Provide that, for a consolidated school district, the district's prior year aid total would be the sum of the amounts received by the separate districts prior to consolidation.

Specify that hold harmless aid would be a general aid under revenue limits. Specify that no hold harmless aid could be paid after the 2020-21 school year.

Joint Finance/Legislature: Delete provision.

12. REVENUE LIMIT PER PUPIL ADJUSTMENT [LFB Paper 550]

Governor: Set the per pupil adjustment under revenue limits at \$200 in 2019-20 and \$204 in 2020-21 and restore the prior law inflationary adjustment beginning in 2021-22.

Under revenue limits, the amount of revenue a school district can raise from general school aids, property taxes, and exempt property aids is restricted. A district's base revenue in a given year is equal to the restricted revenues received in the prior school year. Base revenue is divided by the average of the district's enrollments in the prior three years to determine its base revenue per pupil. Under current law, in 2018-19 and each year thereafter, no per pupil adjustment is made to base revenue per pupil to determine a district's current year revenue per pupil. Current year revenue per pupil is then multiplied by the average of the district's enrollments in the current and prior two years to determine the district's initial revenue limit.

Prior to 2009-10, the per pupil adjustment was adjusted for inflation, using the percentage

change, if positive, in the consumer price index for all urban consumers between the preceding March and second-preceding March. The following table shows the per pupil adjustment under the proposal compared to current law.

Per Pupil Adjustment

	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
Current Law	\$0	\$0	\$0
Bill	0	200	204

Joint Finance: Set the per pupil adjustment under revenue limits at \$175 in 2019-20 and \$179 in 2020-21 and specify that there would be no per pupil adjustment beginning in 2021-22 and in each year thereafter.

Assembly/Legislature: Modify Joint Finance provisions to specify that the per pupil adjustments for 2019-20 and 2020-21 would be made notwithstanding current law provisions under which no adjustment would otherwise be made in those years.

[Act 9 Sections: 1724 thru 1742]

13. LOW REVENUE ADJUSTMENT [LFB Paper 550]

Governor: Set the low revenue adjustment under revenue limits at \$9,700 per pupil in 2019-20 and \$10,000 per pupil in 2020-21 and each year thereafter, and delete the statutory provisions generally restricting otherwise-eligible districts from any low revenue adjustment increases for three years after a failed operating referendum.

Under the low revenue adjustment, if the sum of the base revenue per pupil and the revenue limit per pupil adjustment for a district is below the statutorily-specified amount, a district may increase its revenue to that amount. The low revenue adjustment amount in 2018-19 is \$9,400 per pupil, with the three-year exception for districts with failed referenda. Under current law, that amount will increase by \$100 per year, until it reaches \$9,800 per pupil in 2022-23. The following table shows the low revenue adjustment amount under the bill compared to current law.

Low Revenue Adjustment -- Per Pupil Amount

	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Current Law	\$9,400	\$9,500	\$9,600	\$9,700	\$9,800
Bill	9,400	9,700	10,000	10,000	10,000

Joint Finance: Set the low revenue adjustment under revenue limits at \$9,700 per pupil in 2019-20 and \$10,000 per pupil in 2020-21 and each year thereafter, but maintain the statutory provisions generally restricting otherwise-eligible districts from any low revenue adjustment increases for three years after a failed operating referendum.

Assembly/Legislature: Modify Joint Finance provisions to specify that the low revenue adjustment amounts would be calculated as increases to the current law amounts rather than by specifying the total adjustment amounts.

[Act 9 Sections: 1722d thru 1722k]

14. REVENUE LIMIT ADJUSTMENT FOR LEAD TESTING AND REMEDIATION

Governor: Create a nonrecurring revenue limit adjustment, beginning in the 2020-21 school year, for lead testing and remediation projects.

Specify that the adjustment would be equal to the amount spent by the school district in a school year on a project to remediate lead contamination in drinking water in the district. Specify that the adjustment could be used for: (a) the payment of debt service on a bond or note issued or a state trust fund loan obtained to finance a project, and (b) for costs incurred by the district to test for the presence of lead in drinking water, to provide safe drinking water to affected school buildings during remediation, and, if necessary, to replace lead pipe water service lines to school buildings in the district. Specify that the term of a bond or note issued or state trust fund loan obtained to finance the project using this adjustment could not exceed 20 years.

Require a school board to adopt a resolution to increase its revenue limit under this provision. Provide that if a school board issues a bond or note or obtains a state trust fund loan to finance a project, a resolution adopted by a school board would be valid for each school year in which the school board pays debt service on the bond, note, or state trust fund loan.

Joint Finance/Legislature: Delete provision.

15. FOUR-YEAR-OLD KINDERGARTEN MEMBERSHIP

Governor: Specify that a four-year-old kindergarten (K4) pupil enrolled in a program that requires full-day attendance by the pupil for five days a week would be counted as 1.0 pupil for membership purposes, beginning in 2020-21. This membership change would apply to school district revenue limits and general aid and payments to schools in private school choice programs and the independent charter school program.

Under current law, a K4 pupil is counted as 0.5 member if the pupil attends for at least 437 hours, unless the program provides at least 87.5 additional hours of outreach activities, in which case the pupil is counted as 0.6 member. Under the bill, a K4 pupil enrolled in a program requiring less than full-day attendance by the pupil for five days a week would be counted as 0.5 or 0.6 member, depending on whether the additional outreach is provided.

Joint Finance/Legislature: Delete provision.

16. LIMIT ON NUMBER OF SCHOOL DISTRICT REFERENDA

Governor: Delete the current law provision under which a school board may proceed under the statutes governing referenda for debt issuance and to exceed revenue limits no more than two times in any calendar year.

The restriction on the number of times school boards may proceed to referenda was passed in the 2017-19 budget act. The restriction in that act requiring school district referenda to be held on regularly-scheduled election days, with an exception for a district that has experienced a natural disaster, would not be affected by the bill.

Joint Finance/Legislature: Delete provision.

Categorical Aids

1. SPECIAL EDUCATION AID [LFB Paper 570]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$606,121,800	- \$509,251,500	\$96,870,300

Governor: Provide \$75,060,900 in 2019-20 and \$531,060,900 in 2020-21 for special education categorical aid. Base level funding is \$368,939,100, which DPI estimates will reimburse 25.3% of eligible costs in 2018-19. It is estimated that the additional aid would allow for reimbursement of 30% of special education costs in 2019-20 and 60% of costs in 2020-21.

Joint Finance/Legislature: Decrease funding by \$59,527,700 in 2019-20 and \$449,723,800 in 2020-21 relative to the bill. This change results in an increase in special education funding relative to the base of \$15,533,200 in 2019-20 and \$81,337,100 in 2020-21. It is estimated that the additional aid would reimburse 26% of eligible costs in 2019-20 and 30% of eligible costs in 2020-21.

2. SPECIAL EDUCATION TRANSITION READINESS GRANTS [LFB Paper 570]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$7,000,000	- \$7,000,000	\$0

Governor: Provide \$3,500,000 annually above base level funding of \$1,500,000 for competitive grants for special education workforce transition support services.

Under current law, school districts and independent charter schools are eligible for grants of \$25,000 to \$100,000 for special education workforce transition support services, including pupil transportation, professional development for school personnel, and employing adequate school personnel. DPI indicates that more than 130 applications were received in the first year of the program requesting approximately \$9 million in grant funding, and awards were given to 37 districts.

Joint Finance/Legislature: Delete provision.

3. SUPPLEMENTAL SPECIAL EDUCATION AID [LFB Paper 570]

GPR	- \$1,750,000
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Governor/Legislature: Delete \$1,750,000 in 2020-21 and the appropriation and program statutes for supplemental special education aid effective July 1, 2020.

Under the program, districts are eligible for aid if they meet three criteria: (a) revenue limit authority per pupil below the state average; (b) special education costs equal more than 16% of total costs; and (c) membership of less than 2,000 pupils. Aid is distributed to districts proportionately based on special education costs, up to a maximum payment of \$150,000. Districts cannot receive both supplemental special education aid and high cost special education aid in a given year.

[Act 9 Sections: 146, 1512, 1513, and 9434(5)]

4. HIGH COST SPECIAL EDUCATION AID [LFB Paper 570]

Governor: Modify the appropriation for the high cost special education aid program to be sum sufficient. Additionally, modify the program to allow for reimbursement of 100% of eligible prior year costs above the \$30,000 per pupil threshold. Specify that these changes would first apply to aid paid in the 2019-20 school year.

Based on 2017-18 eligible costs, it is estimated that these changes could increase expenditures under the program by approximately \$4 million GPR annually. No reestimate is made under the bill.

Under current law, applicants are eligible for high cost aid for 90% of non-administrative costs above \$30,000 for an individual pupil in the previous school year, if the costs were not reimbursed by state special education categorical aid, federal Individual with Disabilities Education Act (IDEA), or the federal Medicaid program. If funding is insufficient, payments are prorated.

Joint Finance/Legislature: Delete provision.

5. SPECIAL EDUCATION TRANSITION INCENTIVES GRANTS

Governor: Modify the grant program to specify that, beginning in the 2019-20 school year, the per pupil grant amount would be equal to the lesser of the following: (a) the amount determined by dividing the total appropriation by the number of individuals statewide meeting the criteria for the grant; or (b) \$1,500.

Under current law, school districts or independent charter schools are eligible for up to \$1,000 for each pupil who meets the following criteria: (a) completed school in the district or charter school; (b) had an individualized education program (IEP) in place; and (c) has been enrolled in a higher education program, another postsecondary education or training program, or competitively employed for at least 90 days. DPI estimates that approximately 89% of the appropriation will be expended in 2018-19. Annual base funding is \$3.6 million.

Joint Finance/Legislature: Delete provision.

6. ROBOT ASSISTED PROGRAM FOR AUTISM

	Jt. Finance/Leg. (Chg. to Base)	Veto (Chg. to Gov)	Net Change
GPR	\$50,000	- \$50,000	\$0

Joint Finance/Legislature: Provide \$25,000 annually for grants for robot-assisted educational programs for pupils with autism.

Specify that a cooperative educational service agency (CESA) could apply to DPI for a grant for the purpose of implementing a program that uses all of the following to teach social and behavioral skills to pupils with autism: (a) interactive, facially expressive, humanoid robots; (b) a curriculum with embedded evidence-based practices; (c) visual supports; (d) video modeling; (e) an automated data collection system; (f) a comprehensive curriculum facilitator; and (g) a pupil activity manual with extension activities. Require a CESA to include with its application a proposal outlining the intended use of grant moneys and an estimate of the number of pupils who would be served under the program. Require DPI to award grants to CESAs in an amount determined by the Department.

Require a CESA that receives a grant under the program to use the funds to develop, implement, and provide the program and to purchase robotic devices and curriculum with proven effectiveness for aiding in the academic, social, and emotional learning of pupils with autism spectrum disorder. Require the CESA to ensure that a licensed special education teacher is present at the location where the program is provided.

Veto by Governor [B-30]: Delete provision.

[Act 9 Vetoed Sections: 126 (as it relates to s. 20.255(2)(bi)), 146e and 1437p]

7. AID FOR SCHOOL MENTAL HEALTH SERVICES [LFB Paper 571]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$44,000,000	- \$38,000,000	\$6,000,000

Governor: Provide \$22,000,000 annually above annual base level funding of \$3,000,000 for aid for school mental health programs.

Additionally, modify current law to include expenditures for any pupil services professional, rather than only social workers as under current law. Define pupil services professional as a school counselor, school social worker, school psychologist, or school nurse. Additionally, specify that if there are moneys remaining in the appropriation after paying aid equal to 50% of the increase in eligible expenditures, then any district or choice or charter school may receive aid under the program based on its total expenditures on pupil services professionals, rather than only districts or choice or charter schools that increase their expenditures on pupil services professionals from one year to the next.

Under current law, the program reimburses eligible districts and schools for expenditures on social worker services as follows: (a) 50% reimbursement of the increase in expenditures for school social worker services from one year to the next; and (b) a proportion of unreimbursed expenditures for social workers, based on the amount remaining in the appropriation after payments are made under (a). Eligible districts and schools are defined as school districts, independent charter schools, and private schools participating in a choice program that increased their expenditures on social workers from one year to the next.

Joint Finance/Legislature: Delete \$19,000,000 annually. Delete provisions modifying current law to expand program eligibility. As modified, funding would increase by \$3,000,000 annually above the base level of \$3,000,000.

8. SCHOOL-BASED MENTAL HEALTH SERVICES COLLABORATION GRANT [LFB Paper 571]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$14,000,000	- \$7,500,000	\$6,500,000

Governor: Provide \$7,000,000 annually above base level funding of \$3,250,000 for grants to school districts and independent charter schools for collaboration with community health agencies to provide mental health services to pupils.

DPI indicates that in 2018-19 (the first year of the grant program), 141 grant applications were received, representing 182 school districts and charter schools and requesting a total of approximately \$8 million in grants. Of the applicants, 52 received funding under the program, representing a total of 64 school districts.

Joint Finance/Legislature: Delete \$3,750,000 annually. As modified, funding would increase by \$3,250,000 annually above the base level of \$3,250,000.

9. BILINGUAL-BICULTURAL EDUCATION [LFB Paper 572]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$35,320,400	-\$35,320,400	\$0

Governor: Provide \$8,510,200 in 2019-20 and \$26,810,200 in 2020-21 above base funding of \$8,589,800 for bilingual-bicultural categorical aids. It is estimated that this funding level would provide a reimbursement rate of approximately 15% of prior year costs in 2019-20 and 30% in 2020-21 for school districts statutorily required to offer bilingual programs.

Under current law, school districts are required to establish a bilingual program if, within a language group at a given school, there are 10 or more limited-English proficient pupils in kindergarten to grade three, or 20 or more in grades four to eight or grades nine to 12. In 2017-18, the reimbursement rate was equal to approximately 8.1%.

Joint Finance/Legislature: Delete provision.

10. BILINGUAL-BICULTURAL TARGETED AID [LFB Paper 572]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$3,400,000	-\$3,400,000	\$0

Governor: Provide \$3,400,000 beginning in 2020-21 for bilingual-bicultural targeted aid. Require DPI to establish, by rule, six classifications of English language proficiency, of which the first classification is the least proficient and the sixth classification is fully proficient. Specify that for the targeted aid program, limited-English proficient pupils would be eligible for targeted aid if they are in one of the first three classifications. Require DPI to pay each school district an amount equal to \$100 multiplied by the number of eligible limited-English proficient pupils instructed in the school district in the previous school year. Specify that if funding in any year is insufficient to pay the full amount, DPI would prorate the payments to school districts. Require school boards to include the number of eligible pupils instructed in the previous school year in the annual report on bilingual-bicultural education required under current law.

Joint Finance/Legislature: Delete provision.

11. BILINGUAL-BICULTURAL EDUCATION GRANTS [LFB Paper 572]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$2,500,000	- \$2,500,000	\$0

Governor: Provide \$2,500,000 beginning in 2020-21 for bilingual-bicultural grants. Specify that a school board or the operator of an independent charter school could apply to DPI for a grant to support bilingual-bicultural education programs or other educational programming for limited-English proficient pupils enrolled in the school district or charter school. Authorize DPI to award grants in amounts determined by the Department. Require school districts and charter schools to use the grant moneys to develop, implement, and provide bilingual-bicultural educational programming to meet the specific needs of limited-English proficient pupils enrolled in the school district or charter school. Provide that DPI may promulgate rules to implement and administer these grants.

Joint Finance/Legislature: Delete provision.

12. SUPPLEMENTAL BILINGUAL-BICULTURAL AID [LFB Paper 572]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$2,400,000	- \$2,400,000	\$0

Governor: Provide \$2,400,000 beginning in 2020-21 for bilingual-bicultural supplemental aid. Require DPI to pay each school district an amount equal to \$100 multiplied by the number of limited-English proficient pupils enrolled in the school district in the previous school year for whom the school board was not required to provide a bilingual-bicultural program. If funding in any year is insufficient to pay the full amount, require DPI to prorate the payments to school districts.

Under current law, a school district is required to provide a bilingual-bicultural program in any school that enrolls ten or more limited-English proficient pupils in the same language group in grades K-3, or 20 or more pupils in the same language group in grades 4-8 or 9-12. Districts only qualify for current-law bilingual-bicultural education aid for these pupils.

Joint Finance/Legislature: Delete provision.

13. AFTER-SCHOOL AND OUT-OF-SCHOOL-TIME PROGRAM GRANT [LFB Paper 573]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$20,000,000	-\$20,000,000	\$0

Governor: Provide \$10,000,000 annually in a biennial appropriation for a new grant program to support high-quality after-school programs and out-of-school-time programs to organizations that provide services to school-age children. Provide that DPI could promulgate rules to implement and administer the program. Additionally, allow DPI to promulgate emergency rules to implement and administer the program that would remain in effect until July 1, 2020, or the date on which permanent rules take effect, whichever is sooner. Specify that DPI would not be required to provide evidence in support of promulgating the rule as an emergency rule.

Joint Finance/Legislature: Delete provision.

14. MILWAUKEE MATHEMATICS PARTNERSHIP [LFB Paper 574]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$10,000,000	-\$10,000,000	\$0

Governor: Provide \$10,000,000 beginning in 2020-21 for a mathematics partnership between Milwaukee Public Schools (MPS) and UW-Milwaukee. Require the Board of Directors of MPS, in consultation with UW-Milwaukee, to develop and implement a plan to improve mathematics instruction in MPS schools. Require DPI to award a grant to the Board to develop and implement the plan. Specify that the Board could use grant proceeds for personnel costs associated with developing and implementing the plan. Provide that DPI may promulgate rules to implement and administer this grant.

Joint Finance/Legislature: Delete provision.

15. SPARSITY AID [LFB Paper 575]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$9,786,100	-\$10,686,100	-\$900,000

Governor: Provide \$9,786,100 in 2020-21 above base level funding of \$25,213,900 for sparsity aid. Modify the program in 2020-21 by creating an additional tier of aid eligibility that would provide \$100 per pupil to any district with an enrollment of more than 745 pupils and a

population density of fewer than 10 pupils per square mile.

Under current law, districts qualify for \$400 per pupil if, in the prior school year, they had an enrollment of less than 745 pupils and had a population density of fewer than 10 pupils per square mile of district attendance area. If funding is insufficient, payments are prorated. In 2018-19, 145 school districts qualified for aid, and aid payments were not prorated. It is estimated that an additional 85 districts could qualify for aid in 2020-21 under the proposal.

Additionally, modify the provision that exists under current law to allow a district that loses its eligibility as a result of an increase in its pupil population density to receive up to 50% of its prior year award, beginning in 2020-21. Currently, any district that qualified for sparsity aid in one year but did not qualify the following year due to an increase in its enrollment is eligible to receive 50% of its prior year award.

Joint Finance/Legislature: Delete provision and reduce funding by \$500,000 in 2019-20 and \$400,000 in 2020-21 as a reestimate of payments under the program. It is estimated that this funding level would fully fund payments under current law.

16. DELETE PERSONAL ELECTRONIC COMPUTING DEVICE GRANTS [LFB Paper 576]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Veto (Chg. to Leg.)	Net Change
GPR	- \$9,187,500	\$9,187,500	- \$18,375,000	- \$18,375,000

Governor: Delete \$9,187,500 in 2020-21 and repeal the personal electronic computing device grant program that was created in 2017 Act 59, effective July 1, 2020. In addition, for grants distributed in 2019-20, modify the pupil count that would be used in calculating the grant for each school district from the number of ninth grade pupils included in membership to, instead, be the number of ninth grade pupils enrolled in the current school year.

Under this current program, school districts, independent charter schools, private schools, and tribal schools receive grants equal to \$125 per ninth grade pupil, if they provide equal matching funds. Grants can only be used for the following purposes: (a) to purchase personal electronic computing devices; (b) to purchase software for personal electronic devices; (c) to purchase curriculum which includes content that may be accessed on a personal electronic computing device; or (d) to train staff on how to effectively incorporate personal electronic computing devices into a classroom and into a high school curriculum. Grants under the program were awarded beginning in the 2018-19 school year and under Act 59 would have ended in the 2022-23 school year.

Joint Finance/Legislature: Delete provision. As a result, the program would continue into 2020-21 as under current law, and prior year membership will continue to be used to determine aid eligibility for public school districts.

Veto by Governor [B-29]: Reduce the amount of funding for the program by \$9,187,500 GPR annually by writing down the appropriation to be \$0. As a result, grants will no longer be awarded beginning in 2019-20.

[Act 9 Vetoed Section: 126 (as it relates to s. 20.255(2)(aw))]

17. PER PUPIL AID [LFB Paper 550]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Veto (Chg. to Leg.)	Net Change
GPR	- \$8,696,800	\$62,433,600	\$84,164,200	\$137,901,000

Governor: Maintain the per pupil aid payment at \$654 per pupil in 2019-20 and 2020-21 and in each year thereafter, and delete \$3,398,400 in 2019-20 and \$5,298,400 in 2020-21 as a reestimate of total per pupil aid funding. Base level funding is \$549,098,400.

A sum sufficient per pupil aid appropriation was established in 2013 Act 20. Each school district receives a statutorily-specified, flat per pupil aid payment, outside of revenue limits, from this appropriation. Under 2017 Act 59, each district will receive a \$654 per pupil payment in 2018-19 and a \$630 per pupil payment in 2019-20 and each year thereafter. A district's current three-year rolling average pupil count under revenue limits is used to calculate the aid payment. The administration estimates that revenue limit enrollment will be 834,400 in 2019-20 and 831,500 in 2020-21.

Joint Finance/Legislature: Provide \$20,857,600 in 2019-20 and \$41,576,000 in 2020-21 and set the per pupil aid payment at \$679 per pupil in 2019-20 and \$704 per pupil in 2020-21 and in each year thereafter. This would be an annual increase of \$25 per pupil in each year of the biennium. As modified, per pupil aid funding would increase by \$17,459,200 in 2019-20 and \$36,277,600 in 2020-21 compared to the base.

Veto by Governor [B-15]: Combine the bill language for the \$679 per pupil payment and a portion of the current law language under which the payment would be \$630 per pupil to specify that a district's enrollment would be multiplied "by \$679 and \$63 in each school year," or \$742 per pupil, to determine its per pupil aid payment. As a result, estimated expenditures would increase by \$52,567,200 in 2019-20 and \$31,597,000 in 2020-21 compared to the Legislature.

[Act 9 Section: 1459]

[Act 9 Vetoed Section: 1459]

18. SUPPLEMENTAL PER PUPIL AID

GPR	\$5,300,000
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Joint Finance: Provide \$2,800,000 in 2019-20 and \$2,500,000 in 2020-21 in a newly-created annual sum certain appropriation for supplemental per pupil aid. Specify that a district would be eligible for this aid if the district's net per pupil payment from the general school aids

appropriation is less than the difference between \$1,000 and the per pupil categorical aid payment amount for that year (\$679 per pupil in 2019-20 and \$704 per pupil in 2020-21 under Joint Finance). Specify that the payment for an eligible district would be equal to \$1,000 less the per pupil categorical aid payment amount for that year less the district's net per pupil payment from the general school aids appropriation, multiplied by the enrollment used to calculate the district's per pupil aid in that year. Specify that if aid entitlements exceed the amount appropriated, DPI would prorate the payments.

Assembly/Legislature: Remove language authorizing DPI to prorate payments if aid entitlements exceed the amount appropriated.

Veto by Governor [B-16]: Delete most of the statutory language associated with the aid. Under the act as vetoed, a school district is eligible for this aid and DPI must pay each eligible school district an amount. The Governor's veto message requests that DPI distribute this funding to all school districts.

[Act 9 Sections: 142f and 1464f]

[Act 9 Vetoed Section: 1464f]

19. URBAN SCHOOL DISTRICT SUMMER SCHOOL [LFB Paper 577]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$7,200,000	- \$7,200,000	\$0

Governor: Provide \$3,600,000 annually beginning in 2019-20 above base level funding of \$1,400,000 for grants to develop, redesign, or implement a summer school program. Expand grant eligibility from Milwaukee Public Schools (MPS) under current law to all urban school districts. Define an urban school district as a district that either had an enrollment of at least 18,000 pupils in 2018-19 or an enrollment of at least 18,000 pupils in the previous school year (in 2018-19, Green Bay, Kenosha, Madison, Milwaukee, and Racine would qualify as urban school districts). Beginning in 2019-20, require DPI to annually award \$2,000,000 to MPS and allocate the remaining amount of funding equally among the other urban school districts. Specify that the expansion from MPS to urban school districts would first apply in 2019-20.

Joint Finance/Legislature: Delete provision.

20. URBAN SCHOOL DISTRICT EARLY CHILDHOOD

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$5,000,000	- \$5,000,000	\$0

Governor: Provide \$5,000,000 beginning in 2020-21 for early childhood education grants to urban school districts. Define an urban school district as a district that either had an enrollment of at least 18,000 pupils in 2018-19 or an enrollment of at least 18,000 pupils in the previous school year (in 2018-19, Green Bay, Kenosha, Madison, Milwaukee, and Racine would qualify as urban school districts). Specify that an early childhood education program would mean a program provided by an urban school district to enhance learning opportunities for young children residing in the district and to prepare those children for entry into the elementary school grades. Define an eligible child as a child residing in the district who meets either of the following criteria: (a) the child is three years old on or before September 1 of that year; or (b) the child is less than three years old on or before September 1 of that year and the child is eligible to attend the program under procedures, conditions, and standards the school board prescribes for early admission to the program.

Require DPI to annually award a grant to eligible districts that provide, or that will use the grant to implement, an early childhood education program. Specify that an urban school district may annually submit to DPI a statement that the district is interested in receiving a grant award. Provide that a district that receives a grant would have to use the moneys to develop, implement, and administer a new or expanded program, and the district would be required to ensure that its program meets the licensing requirements for child care centers established by the Department of Children and Families (DCF), including staff to child ratios, required for participation in the DCF quality rating system.

Provide that DPI would award a grant in the amount of \$1,000 per eligible child who, in the current school year, attends the district's program. Require the district to report the number of eligible children attending its program on the third Friday of September in the current year, which is the attendance number DPI would use to calculate the grant. Specify that DPI would prorate payments if the appropriation amount is insufficient to fully fund grants. Provide that if moneys remain in the appropriation after DPI fully funds eligible grants, DPI could distribute the balance of the funds remaining in the appropriation to any of the participating school districts in amounts determined by DPI.

Joint Finance/Legislature: Delete provision.

21. URBAN SCHOOL DISTRICT COMMUNITY ENGAGEMENT [LFB Paper 577]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$2,000,000	- \$2,000,000	\$0

Governor: Provide \$1,000,000 annually beginning in 2019-20 for community engagement grants to urban school districts. Define an urban school district as a district that either had an enrollment of at least 18,000 pupils in 2018-19 or an enrollment of at least 18,000 pupils in the previous school year (in 2018-19, Green Bay, Kenosha, Madison, Milwaukee, and Racine would qualify as urban school districts). Require DPI to annually award a grant to each urban school district to support projects that satisfy the following criteria: (a) the project makes additional

resources or service available to pupils and their families; (b) the goal of the project is to improve the academic achievement of pupils, the well-being of pupils and their families, or relationships between pupils, school staff, and the community; and (c) the project includes collaboration with at least one of the following: (1) a nonstock, nonprofit corporation organized under Chapter 181 of the statutes; (2) a cooperative educational service agency; (3) a UW System institution; (4) a technical college district board; or (5) any local unit of government.

Specify that the amount of the annual grant is the amount appropriated divided by the total number of urban school districts in the school year. Provide that DPI could promulgate rules to implement and administer these grants.

Joint Finance/Legislature: Delete provision.

22. URBAN SCHOOL DISTRICT PRINCIPAL TRAINING [LFB Paper 577]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$500,000	- \$500,000	\$0

Governor: Provide \$250,000 beginning in 2019-20 for principal training and support to principals employed by urban school districts. Define an urban school district as a district that either had an enrollment of at least 18,000 pupils in 2018-19 or an enrollment of at least 18,000 pupils in the previous school year (in 2018-19, Green Bay, Kenosha, Madison, Milwaukee, and Racine would qualify as urban school districts).

Require DPI to annually award a grant to a nonprofit organization or an urban school district for the purpose of providing training, coaching, and professional support to principals employed by urban school districts.

Joint Finance/Legislature: Delete provision.

23. CAREER AND TECHNICAL EDUCATION GRANTS

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$7,000,000	- \$7,000,000	\$0

Governor: Transfer administration of the career and technical education incentive grants and the career and technical education completion awards from the Department of Workforce Development (DWD) to DPI. Provide \$3,500,000 annually for the incentive grants, and transfer the sum sufficient appropriation for the completion awards to DPI.

Under the career and technical education incentive grants, payments are awarded to school districts that have an approved industry-recognized certification program equal to \$1,000 for each

pupil completing the program. Under the technical education completion award program, an award of up to \$500 is awarded to pupils for the completion of each approved industry-recognized certification program. Transfer authority to approve programs eligible for grant funding to the State Superintendent, and allow the State Superintendent to prorate payments if funding in the appropriation is insufficient to fully fund payments in any year. Additionally, require the State Superintendent to annually confer with DWD and the Wisconsin Technical College System to identify industries and occupations facing workforce shortages or shortages of adequately trained, entry-level workers, and annually notify school districts of the identified industries and occupations.

Delete current law requiring DWD and DPI to enter into a memorandum of understanding setting forth their respective responsibilities in administering the program, and requiring DWD to annually provide funds to DPI to make payments to school districts.

Joint Finance/Legislature: Delete provision.

24. TECHNICAL EDUCATION EQUIPMENT GRANT PROGRAM

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,000,000	- \$1,000,000	\$0

Governor: Transfer the technical education equipment grant program, and the associated \$500,000 annually, from the Department of Workforce Development to DPI. Allow DPI to award grants of up to \$50,000 to school districts under the program.

As under current law, a school district may use grant funding to acquire advanced manufacturing equipment, software for operating manufacturing equipment, or pupil instructional material in the use of manufacturing equipment.

Joint Finance/Legislature: Delete provision.

25. SCHOOL BREAKFAST PROGRAM [LFB Paper 578]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$5,679,000	- \$5,679,000	\$0

Governor: Provide \$2,789,500 in 2019-20 and \$2,889,500 in 2020-21 over annual base funding of \$2,510,500 for the school breakfast program to increase the state reimbursement rate to 15.0 cents per meal served. Allow independent charter schools, the State's Educational Services Program for the Deaf and Hard of Hearing and Center for the Blind and Visually Impaired, and residential care centers to be eligible for reimbursement. Specify that schools that ceased

operations during the prior school year are not eligible for reimbursement for any breakfasts served during that year.

Under the program, participating agencies are eligible for reimbursements of 15.0 cents per meal served if funding is available. DPI estimates that payments will be prorated at approximately 7.5 cents per meal served in 2018-19.

Joint Finance/Legislature: Delete provision.

26. SCHOOL DAY MILK PROGRAM

GPR	\$765,800
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Governor: Provide \$382,900 annually above base level funding of \$617,100 for reimbursements of a portion of the cost of serving milk to low-income pupils in grades prekindergarten through five. DPI estimates that the additional funding would increase the reimbursement rate from 58% in 2016-17 to 100% of eligible expenditures.

Joint Finance/Legislature: Modify the program to allow independent charter schools, the State's Educational Services Program for the Deaf and Hard of Hearing and Center for the Blind and Visually Impaired, and residential care centers to be eligible for reimbursement.

[Act 9 Section: 1425f]

27. DELETE SCHOOL PERFORMANCE IMPROVEMENT GRANTS [LFB Paper 579]

GPR	- \$3,690,600
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Governor/Legislature: Delete \$3,690,600 in 2020-21 and repeal the school performance improvement grants program that was created in 2017 Act 59, effective July 1, 2020. In addition, for grants distributed in 2019-20, modify the pupil count that would be used in calculating the grant for each school district from the pupil count used in calculating per pupil aid to instead be the number of pupils enrolled in the district.

Under the school performance improvement grants program, grants are awarded to any school, including a public school, independent charter school, or private choice school, located in a school district that received an overall rating of "fails to meet expectations," in addition to schools located in the boundaries of Milwaukee Public Schools. In order to qualify for a grant, a school must meet the following criteria: (a) develops a written school improvement plan to improve pupil performance in math and reading; and (b) if the school received funds under this program in the previous year, the school's overall accountability score improved from its score two years prior to the previous year. Grant amounts are determined by dividing the total amount of available funding by the number of pupils enrolled in schools eligible for a grant in each year.

[Act 9 Sections: 156, 1440, 1441, 1570f, and 9434(4)]

28. HIGH COST TRANSPORTATION AID [LFB Paper 580]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$2,300,000	- \$700,000	\$1,600,000

Governor: Provide \$2,300,000 above base level funding of \$12,700,000 for high cost transportation aid beginning in 2020-21. Additionally, eliminate the \$200,000 cap for payments for school districts that qualified for aid in the previous year, but did not qualify in the current year, beginning with aid paid in 2019-20. Also, clarify that DPI can prorate payments if funding is insufficient to fully fund eligible expenses.

Under current law, districts qualify for aid if they meet the following eligibility requirements: (a) a transportation cost per member greater than 145% of the state average in the prior year; and (b) a pupil population density of 50 pupils per square mile or less, calculated by dividing the school district's membership in the previous school year by the district's area in square miles. Any district that qualified for aid in the preceding school year but is ineligible for aid in the current school year is eligible to receive an amount equal to 50% of its prior year award, with the sum of all payments under this provision not to exceed \$200,000 in any fiscal year. In 2017-18, 126 districts were eligible for aid under the program, and payments were prorated at 84.9%. Thirteen districts had been eligible in the previous year but did not meet the eligibility requirements in the current year, and received payments equal to 51.3% of the maximum amount for which they were eligible (50% of their prior year payment).

Joint Finance/Legislature: Provide \$800,000 in 2019-20 and delete \$1,500,000 in 2020-21. As modified, funding would increase by \$800,000 annually over the base level of \$12,700,000.

29. PUPIL TRANSPORTATION AID

Governor: Increase the reimbursement rate for pupils transported over 12 miles to and from school in the regular school year from \$365 to \$375 beginning in the 2019-20 school year. It is estimated that the current funding level would fully fund payments at the increased rate.

Additionally, delete a current law provision requiring DPI to prorate summer school transportation payments if a pupil attends 30 or fewer days during the summer session, beginning in the 2019-20 school year.

<u>Mileage</u>	<u>Current Law</u>		<u>Bill</u>	
	<u>School Year</u>	<u>Summer School</u>	<u>School Year</u>	<u>Summer School</u>
0-2 miles (hazardous area)	\$15	--	\$15	---
2-5 miles	35	\$10	35	\$10
5-8 miles	55	20	55	20
8-12 miles	110	20	110	20
Over 12 miles	365	20	375	20

Joint Finance/Legislature: Delete provision.

30. TRANSPORTATION AID FOR THE EARLY COLLEGE CREDIT PROGRAM
[LFB Paper 593]

Governor: Delete current law allowing DPI to use the appropriation for aid for open enrollment transportation to reimburse parents for the costs of transporting pupils attending a course at an institution of higher education under the early college credit program. (Under the bill, the early college credit program would be deleted and replaced with dual enrollment programs at UW and WTCS.)

Joint Finance/Legislature: Delete provision.

31. DRIVER EDUCATION AID

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$2,000,000	-\$2,000,000	\$0

Governor: Provide \$2,000,000 beginning in 2020-21 for driver education aid. Define a driver education program as an instructional program in driver education approved by DPI and operated by a qualified driver education provider, which would include school boards, operators of an independent charter school, and cooperative educational service agencies. Specify that eligible pupils would be pupils who qualified for free or reduced-price lunch in the federal school lunch program in the previous school year. Provide that in order to receive grants, qualified driver education providers would have to: (a) demonstrate to DPI that the provider reduced the fees otherwise charged; and (b) by October 1, 2020, and annually thereafter, report the number of eligible pupils who enrolled in and successfully completed its driver education program in the previous school year.

Require DPI to calculate the amount paid to each qualified driver education provider by multiplying the number of eligible pupils reported as having successfully completed a program in the previous school year by the lesser of the following: (a) \$200; or (b) the amount by which the provider reduced the fees otherwise charged. Specify that if funding in any year is insufficient to pay the full amount, DPI would prorate the payments. Provide that DPI could promulgate rules to implement and administer this program.

Joint Finance/Legislature: Delete provision.

32. DRIVER EDUCATION PROGRAM FEES

Governor: Modify current law that authorizes school districts and technical college districts to charge reasonable fees for any driver education program or part of a program which is neither required for graduation nor credited toward graduation to also authorize operators of independent

charter schools and cooperative educational service agencies to charge such fees.

Joint Finance/Legislature: Delete provision.

33. DELETE INFORMATION TECHNOLOGY EDUCATION GRANT

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	- \$1,750,000	\$1,750,000	\$0

Governor: Delete current law requiring DPI to award a grant to provide information technology education to public school pupils, technical college students, and public library patrons, and the associated \$875,000 annually.

Current law requires that the grant be awarded through a competitive process, and that the recipient offer a program that includes a research-based curriculum teaching information technology skills and offering certifications of skills and competencies to participants.

Joint Finance/Legislature: Restore program, with a modification to delete references to the 2017-18 and 2018-19 school years in current law.

[Act 9 Section: 1475f]

34. GIFTED AND TALENTED GRANTS [LFB Paper 581]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,525,600	- \$1,525,600	\$0

Governor: Provide \$762,800 annually above base level funding of \$237,200 for grants to support gifted and talented education.

Additionally, modify the statutory language describing activities eligible for funding under the program to specify that DPI may award grants only for the following purposes: (a) providing to underrepresented gifted and talented pupils those services and activities not ordinarily provided in a regular school program that allow such pupils to fully develop their capabilities, including services and activities provided inside or outside of a pupil's regular classroom; and (b) providing teachers with professional development and training related to identifying and educating gifted and talented pupils. Define an underrepresented gifted and talented pupil as a gifted and talented pupil who is any of the following: (a) a minority group pupil; (b) an economically disadvantaged pupil (eligible for free or reduced-price lunch or other measures of poverty as determined by DPI); (c) a child with a disability; or (d) a limited-English proficiency pupil.

Under current law, grants may be awarded to provide gifted and talented pupils with any services and activities not ordinarily provided in a regular school program to allow such pupils to

fully develop their capabilities. Under the program, grants may be awarded to nonprofit organizations, cooperative educational service agencies, institutions within the UW System, and school districts.

Joint Finance/Legislature: Delete provision.

35. GRANTS FOR TEACHER DEVELOPMENT, TRAINING, AND RECRUITMENT

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,500,000	- \$1,500,000	\$0

Governor: Transfer the teacher development grants program and the grants for teacher training and recruitment from the Department of Workforce Development (DWD) to DPI, and provide \$750,000 annually. Under the program, as modified, a school board, governing body of a private school, or charter management organization could apply to DPI for a grant to design and implement a teacher development program, or a grant to operate a program to recruit and prepare individuals to teach in public or private schools located in low-income or urban Wisconsin school districts.

Require that a school board, governing body, or charter management organization receiving a grant for teacher development work with an eligible educator preparation program approved by DPI and headquartered in the state. Require that the program and the school board, governing body, or charter management organization design the program to prepare employees, including those who do not hold a bachelor's degree, who work closely with students to successfully complete the requirements for obtaining a teaching permit or initial teaching license, including any standardized examination prescribed by the State Superintendent as a condition for permitting or licensure. Require that participating employees be allowed to satisfy student teaching requirements in a school in the school district, the charter management organization, or the private school, and that the partnering program prepare and provide intensive coursework for participating employees. In awarding such a grant, require DPI to confirm that the teacher development program satisfies these requirements, consider the methods by which the program will be made affordable to participating employees, and consider whether the school board, governing body, or charter management organization has agreed to contribute matching funds towards the program.

Require that DPI award grants to school boards, governing bodies, or charter management organizations for teacher recruitment and preparation. Require that DPI establish a process for evaluating and assigning a score to each grant applicant, and that the Department give preference in evaluating grants to programs that do the following: (a) train future teachers who are enrolled in an accredited college or university in this state concurrent with the training; (b) focus on future teachers who plan to teach in public or private schools in this state as a profession; (c) provide continuing education and professional development; and (d) attempts to place a majority of its total participants in public or private schools located in low-income or urban school districts in this state.

Joint Finance/Legislature: Delete provision.

36. MINORITY TEACHER GRANT PROGRAM [LFB Paper 582]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,000,000	- \$1,000,000	\$0

Governor: Provide \$500,000 annually to create a minority teacher grant program.

Require DPI to award grants on a competitive basis to school districts to recruit minorities to teach in the school district beginning in the 2019-20 school year. Define a minority as an individual who is any of the following: (a) Black American; (b) American Indian; (c) Hispanic; or (d) a person admitted to the United States after December 31, 1975, who is either a former citizen of Laos, Vietnam, or Cambodia or whose ancestor was or is a citizen of Laos, Vietnam, or Cambodia.

Require DPI to award 50% of the total appropriation to Milwaukee Public Schools, and the remaining 50% to other school districts in the state. Additionally, require DPI to give preference in awarding funding under the remaining 50% to school districts that have a high percentage of pupils who are minorities, as defined by DPI by rule. Authorize DPI to promulgate rules to implement and administer the program.

Joint Finance/Legislature: Delete provision.

37. ROBOTICS LEAGUE PARTICIPATION GRANTS

GPR	\$500,000
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Governor/Legislature: Provide \$250,000 annually above base level funding of \$250,000 to fund grants for high school teams to participate in robotics competitions. Modify the current grant program to allow grant funds to be used for more than one robotics competition in the same year. Delete the word "pilot" from the title of the program. Specify that more than one grant could be awarded to the same team in one year, as long as the total grant funding received by any one team in a single year does not exceed \$5,000.

[Act 9 Sections: 1472 thru 1474]

38. WATER FILTRATION GRANTS [LFB Paper 583]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$500,000	- \$500,000	\$0

Governor: Provide \$250,000 annually for water filtration grants. Require DPI to award

grants beginning in 2019-20 to school districts to purchase water bottle filling equipment that includes a water filtration component. Require DPI to promulgate rules to implement and administer this program.

Joint Finance/Legislature: Delete provision.

39. GRANTS TO LAKELAND STAR SCHOOLS

	Jt. Finance/Leg. (Chg. to Base)	Veto (Chg. to Leg.)	Net Change
GPR	\$250,000	-\$250,000	\$0

Joint Finance/Legislature: Provide \$250,000 in 2019-20 in a newly-created biennial appropriation for grants to the Lakeland STAR School and the Lakeland STAR Academy. Require DPI to provide a grant of \$83,000 during the biennium to the Minocqua J1 School District for the Lakeland STAR School and a grant of \$167,000 during the biennium to the Lakeland UHS School District for the Lakeland STAR Academy. Require Lakeland STAR School and the Lakeland STAR Academy to demonstrate matching funds from private donors prior to receiving the funds. Repeal this appropriation on July 1, 2021. Require the school districts to provide a report to the Legislature and the State Superintendent by July 1, 2021.

Veto by Governor [B-28]: Delete provision.

[Act 9 Vetoed Sections: 126 (as it relates to s. 20.255(2)(fa)), 163s, 163t, 9134(5p)&(6p), and 9434(8p)]

40. RURAL SCHOOL TEACHER TALENT PILOT PROGRAM

GPR	\$2,000,000
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Joint Finance/Legislature: Provide \$1,000,000 annually for the rural school teacher talent pilot program above base level funding of \$500,000. Under the program, grants are awarded to cooperative educational service agencies (CESAs) to coordinate with universities and colleges to provide practicums, student-teacher placement, and internships for undergraduate college students in rural school districts.

41. TRIBAL LANGUAGE REVITALIZATION GRANTS

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
PR	\$262,200	-\$262,200	\$0

Governor: Provide \$262,200 in 2020-21 above base funding of \$222,800 for grants to support tribal language programming in schools. Provide that in addition to the current law grants to support instruction in one or more American Indian languages, two-year grants could be

awarded beginning in 2020-21 to develop, implement, and provide American Indian heritage, language, and cultural instruction programs for children participating in Head Start programs and for pupils in grades kindergarten through two. Authorize DPI to contract with the Great Lakes Inter-Tribal Council, Inc., to implement and administer the grant program. The program revenue is provided from tribal gaming revenue transferred from DOA.

Joint Finance/Legislature: Delete provision.

42. SCHOOL LIBRARY AIDS REESTIMATE

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG	\$2,700,000	\$3,000,000	\$5,700,000

Governor: Reestimate school library aids by \$900,000 in 2019-20 and \$1,800,000 in 2020-21. Base level funding is \$37,000,000 annually. Revenues are from interest earned on the segregated common school fund, administered by the Board of Commissioners of Public Lands.

Joint Finance/Legislature: Reestimate school library aids by an additional \$1,500,000 annually as a result of converting the program revenue appropriation for Board of Commissioners of Public Lands (BCPL) to instead be funded through general purpose revenue, and repealing BCPL's ability to deduct operations expenses from the gross receipts of BCPL-managed trust funds.

Choice, Charter, and Open Enrollment

1. MILWAUKEE PRIVATE SCHOOL CHOICE PROGRAM FUNDING [LFB Paper 590]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Veto (Chg. to Leg.)	Net Change
GPR	\$33,957,700	\$3,697,900	\$2,913,700	\$40,569,300
GPR Effect of				
Aid Reduction	<u>16,479,100</u>	<u>- 472,700</u>	<u>- 428,600</u>	<u>15,577,800</u>
Net GPR	\$50,436,700	\$3,225,200	\$2,485,100	\$56,147,100

Governor: Provide \$10,754,100 in 2019-20 and \$23,203,600 in 2020-21 over the base year funding of \$222,227,100 for the Milwaukee private school choice program to reflect changes in pupil participation and per pupil payments under the bill. This would reflect an increase in pupil participation from 28,100 pupils in 2018-19 to an estimated 28,500 pupils in 2019-20 and 29,400

pupils in 2020-21. Based on the increase in the per pupil adjustment under revenue limits provided in the bill, the per pupil payment under the program would increase from \$7,754 in 2018-19 to \$7,954 in 2019-20 and \$8,158 in 2020-21 for pupils in grades K-8, and from \$8,400 in 2018-19 to \$8,600 in 2019-20 and \$8,804 in 2020-21 for pupils in grades 9-12.

Under current law, the estimated cost to the state of the payments from the Milwaukee choice program appropriation is partially offset by a reduction (after consideration of aid paid to the City of Milwaukee to defray the choice levy, which would be eliminated under another provision of the bill) in the general school aids otherwise paid to the Milwaukee Public Schools (MPS) by an amount equal to 16.0% of the total cost of the program in 2019-20 and 12.8% of the total cost of the program in 2020-21. The aid reduction will decrease by 3.2 percentage points each year until it is phased out in 2024-25. Under revenue limits, MPS may levy property taxes to make up for the amount of general aid lost due to this reduction (less the amount of high poverty aid paid to MPS).

Under the bill, the aid reduction for MPS would decrease by \$5,308,600 in 2019-20 and \$11,170,500 in 2020-21 from the base choice reduction of \$42,585,600. The net general fund fiscal effect for the Milwaukee program would be increased expenditures of \$16,062,700 in 2019-20 and \$34,374,000 in 2020-21.

The total change in funding provided for the Milwaukee choice program under this item includes the following changes attributable to other modifications made to the program under the bill, and summarized under other summary items. The table below shows the total cost of the Milwaukee program under current law, the fiscal effect of these changes, the total cost of the program under the bill, and the change to base level funding in each year.

**Cost of the Milwaukee Private School Choice Program
Under the Bill, 2019-20 and 2020-21**

	2019-20			2020-21		
	Total GPR	GPR Effect of Aid Reduction	Net GPR	Total GPR	GPR Effect of Aid Reduction	Net GPR
Base	\$222,227,100	-\$42,585,600	\$179,641,500	\$222,227,100	-\$42,585,600	\$179,641,500
Changes under the bill						
Current law reestimate*	\$4,160,700	\$6,363,500	\$10,524,200	\$25,848,900	\$10,831,900	\$36,680,800
Participation cap	0	0	0	-21,488,200	2,750,500	-18,737,700
Count 4K as 1.0 FTE	0	0	0	6,978,600	-893,300	6,085,300
Modification to payment amount	5,693,400	-910,900	4,782,500	11,864,300	-1,518,600	10,345,600
Other	900,000	-144,000	756,000	0	0	0
Subtotal	\$10,754,100	\$5,308,600	\$16,062,700	\$23,203,600	\$11,170,500	\$34,374,000
Total cost of the program as modified by the bill	\$232,981,200	-\$37,277,000	\$195,704,200	\$245,430,700	-\$31,415,100	\$214,015,500

*Assumes no increase to the 2018-19 per pupil payment amount; under current law, the per pupil payment will be adjusted in each year by any revenue limit per pupil adjustment provided to public school pupils, if positive, and any increase in the per pupil categorical aid funding. This indexing mechanism would be modified under another provision of the bill.

Joint Finance/Legislature: Modify funding by -\$17,500 in 2019-20 and \$3,715,400 in 2020-21 to reflect the following modifications: (a) deleting the participation cap (\$21,488,200 in 2020-21); (b) deleting the proposal to count 4K pupils as 1.0 FTE (-\$6,978,600 in 2020-21); and (c) reestimating participation counts and payment amounts (-\$17,500 in 2019-20 and -\$10,794,200 in 2020-21). The aid reduction would change by \$2,800 in 2019-20 and -\$475,600 in 2020-21 relative to the bill. It is estimated that per pupil payments would increase by an estimated \$231 in 2019-20 and a further \$275 in 2020-21 for payments of \$7,985 in 2019-20 and \$8,260 in 2020-21 for K-8 pupils and \$8,631 in 2019-20 and \$8,906 in 2020-21 for 9-12 pupils.

As a result of these changes, GPR payments under the program would equal an estimated \$232,963,700 in 2019-20 and \$249,146,100 in 2020-21, and the aid reduction would total \$37,274,200 in 2019-20 and \$31,890,700 in 2020-21. The net cost of the program would be \$195,689,500 in 2019-20 and \$217,255,400 in 2020-21.

Vetoes by Governor [B-15, B-28, and B-30]: As a result of gubernatorial vetoes, reestimate payments under the program by \$1,736,500 GPR and -\$277,900 aid reduction in 2019-20 and by \$1,177,200 GPR and -\$150,700 aid reduction in 2020-21 to be consistent with a higher per pupil payment amount. Following the vetoes, it is estimated that the per pupil payment will increase by \$292 in 2019-20 and a further \$254 in 2020-21 relative to 2018-19 payments. As a result, the payment for K-8 pupils will equal \$8,046 in 2019-20 and \$8,300 in 2020-21. The payment for 9-12 pupils will equal \$8,692 in 2019-20 and \$8,946 in 2020-21.

The table below shows the estimated cost of the Milwaukee choice program.

Estimated Cost of the Milwaukee Private School Choice Program

	<u>2019-20</u>	<u>2020-21</u>
Total GPR	\$234,700,200	\$250,323,300
Aid Reduction	<u>-37,552,100</u>	<u>-32,041,400</u>
Net GPR	\$197,148,100	\$218,281,900

2. RACINE AND STATEWIDE PRIVATE SCHOOL CHOICE PROGRAM FUNDING

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Veto (Chg. to Leg.)	Net Change
GPR	\$52,987,200	\$26,030,800	\$1,449,700	\$80,467,700
GPR Effect of				
Aid Reduction	<u>- 58,895,300</u>	<u>- 25,810,500</u>	<u>- 1,312,500</u>	<u>- 86,018,300</u>
Net GPR	- \$5,908,00	\$220,300	\$51,200	- \$5,550,600

Governor: Provide \$24,176,200 in 2019-20 and \$28,811,000 in 2020-21 over the base year funding of \$82,428,100 for the Racine and statewide private school choice programs to reflect changes in the bill. Based on the increase in the per pupil adjustment under revenue limits provided in the bill, the per pupil payment under the program would increase from \$7,754 in 2018-19 to \$7,954 in 2019-20 and \$8,158 in 2020-21 for pupils in grades K-8, and from \$8,400 in 2018-19 to \$8,600 in 2019-20 and \$8,804 in 2020-21 for pupils in grades 9-12. These estimates reflect

increases in pupil participation shown in the table below.

**Estimated Racine and Statewide Private
School Choice Program Participation**

	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
Racine	3,240	3,720	3,760
Statewide	<u>6,880</u>	<u>9,400</u>	<u>9,580</u>
Total	10,120	13,120	13,340

Under current law, the cost of payments for legacy pupils (pupils who first participated in the programs in the 2014-15 school year or earlier) is fully funded through GPR. Payments for all other pupils are fully funded through an aid reduction in the general school aids that would otherwise be paid to those pupils school districts of residence. School districts receive a revenue limit adjustment equal to the amount of the aid reduction in the current year.

Under the bill, the aid reduction for the programs would total \$95,021,800 in 2019-20 and \$100,409,900 in 2020-21 from the base choice aid reduction of \$68,268,200. The net general fund fiscal effect for the Racine and statewide programs would be decreased expenditures of \$2,577,400 in 2019-20 and \$3,330,800 in 2020-21 compared to the base.

The total change in funding provided for the Racine and statewide choice programs under this item include the following changes attributable to other modifications made to the program under the bill, and summarized under other summary items. The table below shows the total cost of the Racine and statewide programs under current law, the fiscal effect of these changes, and the total cost of the program under the bill.

**Cost of the Racine and Statewide Private School Choice Programs
Under the Bill, 2019-20 and 2020-21**

	<u>2019-20</u>			<u>2020-21</u>		
	<u>Total GPR</u>	<u>GPR Effect of Aid Reduction</u>	<u>Net GPR</u>	<u>Total GPR</u>	<u>GPR Effect of Aid Reduction</u>	<u>Net GPR</u>
Base	\$82,428,100	-\$68,268,200	\$14,159,900	\$82,428,100	-\$68,268,200	\$14,159,900
Changes under the bill						
Current law reestimate*	\$21,552,200	-\$24,411,600	-\$2,859,400	\$46,220,300	-\$50,068,200	-\$3,847,900
Participation cap	0	0	0	-24,463,800	24,463,800	0
Count 4K as 1.0 FTE	0	0	0	1,667,100	-1,667,100	0
Modification to payment amount	<u>2,624,000</u>	<u>-2,342,000</u>	<u>282,000</u>	<u>5,387,400</u>	<u>-4,870,200</u>	<u>517,100</u>
Subtotal	\$24,176,200	-\$26,753,600	-\$2,577,400	\$28,811,000	-\$32,141,700	-\$3,330,800
Total cost of the program as modified by the bill	\$106,604,300	-\$95,021,800	\$11,582,500	\$111,239,100	-\$100,409,900	\$10,829,100

*Assumes no increase to the 2018-19 per pupil payment amount; under current law, the per pupil payment will be adjusted in each year by any revenue limit per pupil adjustment provided to public school pupils, if positive, and any increase in the per pupil categorical aid funding. This indexing mechanism would be modified under another provision of the bill.

Joint Finance/Legislature: Increase funding by an additional \$406,700 in 2019-20 and \$25,624,100 in 2020-21 to reflect the following modifications: (a) deleting the participation cap (\$24,463,800 in 2020-21); (b) deleting the proposal to count 4K pupils as 1.0 FTE (-\$1,667,100 in 2020-21); and (c) reestimating payment amounts (\$406,700 in 2019-20 and \$2,827,400 in 2020-21). The aid reduction would increase by \$362,600 in 2019-20 and \$25,493,700 in 2020-21 relative to the bill. It is estimated that per pupil payments would increase by an estimated \$231 in 2019-20 and a further \$275 in 2020-21 for payments of \$7,985 in 2019-20 and \$8,260 in 2020-21 for K-8 pupils and \$8,631 in 2019-20 and \$8,906 in 2020-21 for 9-12 pupils.

As a result of these changes, the total cost of the programs would equal an estimated \$107,011,000 in 2019-20 and \$136,863,200 in 2020-21, and the aid reduction would total \$95,384,800 in 2019-20 and \$125,903,600 in 2020-21. The net cost of the program would be \$11,626,200 in 2019-20 and \$10,959,600 in 2020-21.

Vetoed by Governor [B-15, B-28, and B-30]: As a result of gubernatorial vetoes, reestimate payments under the program by \$800,300 GPR and -\$714,300 aid reduction in 2019-20 and by \$649,400 GPR and -\$598,200 aid reduction in 2020-21 to be consistent with a higher per pupil payment amount. Following the vetoes, it is estimated that the per pupil payment will increase by \$292 in 2019-20 and a further \$254 in 2020-21 relative to 2018-19 payments. As a result, the payment for K-8 pupils will equal \$8,046 in 2019-20 and \$8,300 in 2020-21. The payment for 9-12 pupils will equal \$8,692 in 2019-20 and \$8,946 in 2020-21.

The table below shows the estimated cost of the Racine and statewide choice programs.

Estimated Cost of the Racine and Statewide Private School Choice Programs

	<u>2019-20</u>	<u>2020-21</u>
Total GPR	\$107,811,300	\$137,512,600
Aid Reduction	<u>-96,099,100</u>	<u>-126,501,800</u>
Net GPR	\$11,712,200	\$11,010,800

3. PRIVATE SCHOOL CHOICE PROGRAMS -- CAP PARTICIPATION AT 2020-21 LEVELS

Governor: Beginning in the 2020-21 school year, specify that the total number of pupils who can participate in each of the three choice programs could not exceed a program cap defined as the total number of pupils who attended a private school under that program in the 2019-20 school year.

Specify that a private school participating in the program could accept applications from eligible pupils during application periods determined by DPI. For the Racine and Milwaukee programs, require DPI to establish one or more application periods, the first of which may begin no earlier than February 1 of the previous school year and the last of which may end no later than September 14 of the applicable school year. For the statewide program, maintain the application period under current law (February 1 to April 20 of the previous school year).

Require each private school to report to DPI no later than 10 days after each application period the number of pupils who applied to attend the school under each program, and the names of those applicants who have siblings who also applied to attend the school under the program. At the end of each application period, require DPI to determine the sum of all applicants, counting a pupil who has applied to attend more than one private school under a choice program only once. If the sum exceeds the program cap (or, for the statewide program, the district participation limits under current law), require DPI to determine which applications to accept on a random basis, except for pupil preferences established under current law, and establish a waiting list for those pupils whose applications are not accepted in accordance with the current law preferences. Require a private school to notify DPI if an accepted pupil will not attend the school, and require DPI to fill any available slot with a pupil from the waiting list. Allow a pupil on the waiting list to be admitted for the following school year without submitting additional financial information, provided that the applicant continues to meet the residency requirements for the program for which the pupil is applying.

Specify that a pupil would not be counted for a school year in determining whether any choice program exceeds its program cap, or whether the pupil's school district of residence exceeds its pupil participation limit under the statewide program, if the following apply: (a) the pupil resides in one district at the time of their application to one of the choice programs, and accepts a space in a private school participating in that program; (b) the pupil resides in a different district on the third Friday of September; and (c) the private school the pupil is attending accepts applications from pupils residing in the school district the pupil resides in under (b). This provision would apply to the following: (a) a pupil who resides in the City of Milwaukee at the time of his or her application, but resides in Racine or another district on the 3rd Friday of September; (b) a pupil who resides in a district other than Racine or Milwaukee on at the time of his or her application, but resides in Racine or Milwaukee on the third Friday of September; or (c) a pupil who resides in Racine at the time of his or her application, but resides in a district other than Racine or Milwaukee on the third Friday of September.

Specify that these provisions would first apply to program caps and applications or transfer of applications for the 2020-21 school year.

Joint Finance/Legislature: Delete provision.

4. PRIVATE SCHOOL CHOICE PROGRAMS -- TEACHER LICENSURE REQUIREMENT

Governor: Require that beginning on July 1, 2022, all of a participating private school's teachers have a teaching license or permit issued by DPI, except teachers who teach only rabbinical studies. This requirement would apply to the Milwaukee, Racine, and statewide choice programs.

Specify that any teacher employed by the school on July 1, 2022, who has been teaching for at least the five consecutive years immediately preceding that date and who does not have a teaching license or permit issued by DPI could apply for a temporary, nonrenewable waiver on a form prepared by DPI. Require DPI to promulgate rules to implement this provision, including the form of the application and the process by which the waiver application would be reviewed.

Require that the waiver application require the applicant to submit a plan for satisfying the licensure requirement. Specify that no waiver would be valid after July 1, 2027.

Modify current law teacher licensure requirements to include private schools, including the following: (a) specify that an individual located in another state may teach an online course without a Wisconsin license if he or she is properly licensed in the state from which the course is provided; (b) allow a faculty member of an institution of higher education to teach without a license or permit if the faculty member satisfies certain requirements; (c) specify that an individual certified to teach native American languages and culture cannot teach other courses; (d) allow a private school to employ an individual who teaches a technical or vocational education subject with an experience-based license if the school fulfills certain requirements; and (e) require that a private school employing a person who holds a professional teaching permit does not fill the position following the removal of a regularly licensed teacher. Specify that these provisions would first take effect on July 1, 2022.

Joint Finance/Legislature: Delete provision.

5. PRIVATE SCHOOL CHOICE PROGRAMS -- ACCREDITATION OF PRIVATE SCHOOLS

Governor: Require that if a private school begins participation in a choice program in the 2021-22 school year or later, the school must be accredited by an accrediting entity by August 1 of the school's first year of participation in the program.

If a private school is accredited to offer instruction in any elementary grade but not any high school grade and seeks to offer instruction in high school grades, require the school to apply for accreditation by an accrediting entity by December 31 of the first school year in which the private school begins offering instruction in the additional grades. Require the school to obtain accreditation by December 31 of the third school year following the first year in which the school begins offering instruction in additional grades. If the school is accredited to offer instruction in any high school grade but not any elementary grade, and seeks to offer instruction in elementary grades, require the school to apply for accreditation by December 31 of the first year in which the school offers the additional grades and obtain accreditation by the third school year following the year in which the additional grades are first offered.

Specify that current law requiring a private school beginning participation in the programs to obtain preaccreditation by a preaccrediting entity by August 1 before the first school term in which the school participates in the program, or May 1 if the school first participates during a summer school session, does not apply beginning in the 2021-22 school year. Current law requiring a new private school to obtain preaccreditation by December 15 of the school year preceding the school year in which the new private school intends to participate would also not apply beginning in the 2021-22 school year.

Joint Finance/Legislature: Delete provision.

6. MILWAUKEE PRIVATE SCHOOL CHOICE PROGRAM -- ELIMINATE CITY CHOICE LEVY AID

Governor: Eliminate the city choice levy aid paid to the City of Milwaukee to reduce the choice program levy used to fund a portion of the cost of the Milwaukee program. Instead, these moneys would be paid directly to Milwaukee Public Schools (MPS) and would have the same effect of reducing the MPS choice levy.

Under current law, the City of Milwaukee receives first-draw funding from the general equalization aids appropriation equal to 6.6% of the total cost of the Milwaukee choice program. The City is then required to use the amount to defray the choice program levy it raises on behalf of MPS.

Joint Finance/Legislature: Delete provision.

7. PRIVATE SCHOOL CHOICE PROGRAMS -- DEFINITION OF POVERTY LEVEL

Governor: Modify the definition of poverty level for the purposes of determining eligibility and tuition payments so that it refers to the poverty line, as defined in 42 USC 9902 (2), rather than referring to the poverty level determined in accordance with criteria established by the director of the federal Office of Management and Budget, as under current law.

Under 42 USC 9902 (2), the "poverty line" is defined as the official poverty line defined by the Office of Management and Budget, based on the most recent data available from the Bureau of Census.

Joint Finance/Legislature: Delete provision.

8. PRIVATE SCHOOL CHOICE AND SPECIAL NEEDS SCHOLARSHIP PROGRAMS -- INFORMATION REQUIRED ON PROPERTY TAX BILL

Governor: Require property tax bills to include information from the school district where the property is located regarding the amount of any gross reduction in state aid to the district under the program in the previous year and the current year and the percentage change between those years, if such a reduction occurs in that year.

Require the following insert to also be included in substantially similar form: "The gross reduction in state aid to your school district in the ... (current year) is \$... as a result of pupils enrolled in the ... (statewide choice program) (Racine choice program) (Milwaukee choice program) or as a result of payments to ... (a private school) under the special needs scholarship program. Your school district had the option to increase property taxes to replace this aid reduction."

Joint Finance/Legislature: Delete provision.

9. SPECIAL NEEDS SCHOLARSHIP PROGRAM FUNDING

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Veto (Chg. to Leg.)	Net Change
GPR	\$6,306,700	\$4,810,200	\$113,400	\$11,230,300
GPR Effect of Aid Reduction	<u>- 6,306,700</u>	<u>- 4,810,200</u>	<u>- 113,400</u>	<u>- 11,230,300</u>
Net GPR	\$0	\$0	\$0	\$0

Governor: Provide \$3,373,700 in 2019-20 and \$2,933,000 in 2020-21 above base level funding of \$9,320,300 for the special needs scholarship program to reflect changes in pupil participation and per pupil payments under the bill. This would reflect changes in pupil participation from 700 pupils in 2018-19 to 1,000 pupils in 2019-20 and 950 pupils in 2020-21. Based on the increase in the per pupil revenue limit adjustment provided in the bill, the per pupil payment under the program would increase from \$12,431 in 2018-19 to \$12,631 in 2019-20 and \$12,835 in 2020-21.

Under current law, the cost of payments for pupils attending a private school under the special needs scholarship program are fully offset through an aid reduction in the general school aids that would otherwise be paid to those pupils' school districts of residence and a corresponding revenue limit increase.

The total change in funding provided for the program under this item include the following changes attributable to other modifications made to the program under the bill, and summarized under other summary items. The table below shows the total cost of the program under current law, the fiscal effect of these changes, and the total cost of the program under the bill.

Cost of the Special Needs Scholarship Program Under the Bill, 2019-20 and 2020-21

	2019-20			2020-21		
	<u>Total GPR</u>	<u>GPR Effect of Aid Reduction</u>	<u>Net GPR</u>	<u>Total GPR</u>	<u>GPR Effect of Aid Reduction</u>	<u>Net GPR</u>
Base	\$9,320,300	-\$9,320,300	\$0	\$9,320,300	-\$9,320,300	\$0
Changes under the bill						
Current law reestimate*	\$3,173,700	-\$3,173,700	\$0	\$7,024,400	-\$7,024,400	\$0
Sunset	0	0	0	-4,599,500	4,599,500	0
Count 4K as 1.0 FTE	0	0	0	124,300	-124,300	0
Modification to payment amount	<u>200,000</u>	<u>-200,000</u>	<u>0</u>	<u>383,800</u>	<u>-383,800</u>	<u>0</u>
Subtotal	\$3,373,700	-\$3,373,700	\$0	\$2,933,000	-\$2,933,000	\$0
Total cost of the program as modified by the bill	\$12,694,000	-\$12,694,000	\$0	\$12,253,300	-\$12,253,300	\$0

*Assumes no increase to the 2018-19 per pupil payment amount; under current law, the per pupil payment will be adjusted in each year by any revenue limit per pupil adjustment provided to public school pupils, if positive, and any increase in the per pupil categorical aid funding. This indexing mechanism would be modified under another provision of the bill.

Joint Finance/Legislature: Modify funding by \$31,000 in 2019-20 and \$4,779,200 in 2020-21 relative to the bill to reflect the following modifications made by the Committee: (a) deleting the program sunset (\$4,599,500 in 2020-21); (b) deleting the proposal to count 4K pupils as 1.0 FTE (-\$124,300 in 2020-21); and (c) reestimating pupil participation and payment amounts (\$31,000 in 2019-20 and \$304,000 in 2020-21). Under the current law indexing mechanism, it is estimated that per pupil payments would increase by an estimated \$231 in 2019-20 and a further \$275 in 2020-21 under Joint Finance for payments of \$12,662 in 2019-20 and \$12,937 in 2020-21.

As a result of these changes, the total cost of the programs would equal an estimated \$12,725,000 in 2019-20 and \$17,032,500 in 2020-21, with the full cost of payments offset by aid reductions.

Vetoed by Governor [B-15, B-28, and B-30]: As a result of gubernatorial vetoes, reestimate payments under the program by \$61,000 GPR and -\$61,000 aid reduction in 2019-20 and by \$52,400 GPR and -\$52,400 aid reduction in 2020-21 to be consistent with a higher per pupil payment amount. Following the vetoes, it is estimated that the per pupil payment will increase by \$292 in 2019-20 and a further \$254 in 2020-21 relative to 2018-19 payments. As a result, the payments will equal an estimated \$12,723 in 2019-20 and \$12,977 in 2020-21.

The table below shows the estimated cost of the special needs scholarship program.

Estimated Cost of the Special Needs Scholarship Program

	<u>2019-20</u>	<u>2020-21</u>
Total GPR	\$12,786,000	\$17,084,900
Aid Reduction	<u>-12,786,000</u>	<u>-17,084,900</u>
Net GPR	\$0	\$0

10. SPECIAL NEEDS SCHOLARSHIP PROGRAM -- SUNSET

Governor: Specify that, beginning in the 2020-21 school year, DPI may not provide a scholarship under the program to a pupil with a disability unless the pupil attended a private school under the program in the 2019-20 school year. If the pupil does not participate in the program in any year after the 2019-20 school year, prohibit DPI from providing a scholarship to the pupil for any subsequent school year.

Joint Finance/Legislature: Delete provision.

11. SPECIAL NEEDS SCHOLARSHIP PROGRAM -- TEACHER LICENSURE REQUIREMENT

Governor: Require that beginning on July 1, 2022, all of a participating private school's teachers have a teaching license or permit issued by DPI, except teachers who teach only rabbinical studies.

Specify that any teacher employed by the school on July 1, 2022, who has been teaching for at least the five consecutive years immediately preceding that date and who does not have a teaching license or permit issued by DPI could apply for a temporary, nonrenewable waiver on a form prepared by DPI. Require DPI to promulgate rules to implement this provision, including the form of the application and the process by which the waiver application would be reviewed. Require that the waiver application require the applicant to submit a plan for satisfying the licensure requirement. Specify that no waiver would be valid after July 1, 2027.

Modify current law teacher licensure requirements to include private schools, including the following: (a) specify that an individual located in another state may teach an online course without a Wisconsin license if he or she is properly licensed in the state from which the course is provided; (b) allow a faculty member of an institution of higher education to teach without a license or permit if the faculty member satisfies certain requirements; (c) specify that an individual certified to teach native American languages and culture cannot teach other courses; (d) allow a private school to employ an individual who teaches a technical or vocational education subject with an experience-based license if the school fulfills certain requirements; and (e) require that a private school ensure that a person who holds a professional teaching permit does not fill the position following the removal of a regularly licensed teacher. Specify that these provisions would first take effect on July 1, 2022.

Joint Finance/Legislature: Delete provision.

12. SPECIAL NEEDS SCHOLARSHIP PROGRAM -- PRIVATE SCHOOL REQUIREMENTS

Governor: Require that a school participating in the special needs scholarship program in any year either: (a) also participate in the Milwaukee, Racine, or statewide private school choice program in the same year; or (b) for a school participating in the 2019-20 school year, the school either is approved as a private school by the State Superintendent or is accredited by an accrediting entity on August 1, 2019. Beginning in the 2020-21 school year and in each school year thereafter, if the school continuously participates in the program, require that the school continue to comply with the accreditation requirements. If the school does not participate in the program in any school year beginning in the 2020-21 school year or later, require that the eligible school also participate in the Milwaukee, Racine, or statewide private school choice program in the same year and in subsequent years.

Specify that all of the following apply for a private school that does not participate in the Milwaukee, Racine, or statewide choice programs:

a. If the school is not accredited by an accrediting entity on August 1, 2019, the school must do the following: (1) obtain preaccreditation by a preaccrediting entity by August 1, 2020; and (2) apply for accreditation by an accrediting entity by December 31, 2020, and obtain accreditation by December 31, 2023. Specify that a school may apply for and seek to obtain preaccreditation from only one preaccrediting entity.

b. If the private school is accredited by an accrediting entity to offer instruction in any

elementary grade, but not any high school grade, and the school seeks to offer instruction in any high school grade, require the school to apply for accreditation by an accrediting entity by December 31 of the first school year in which the private school begins offering instruction in the additional grades, and obtain accreditation by December 31 of the third school year following the first year in which the school begins offering instruction in the additional grades.

c. If the private school is accredited by an accrediting entity to offer instruction in any high school grade, but not any elementary grade, and the school seeks to offer instruction in any elementary grade, require the school to apply for accreditation by an accrediting entity by December 31 of the first school year in which the private school begins offering instruction in the additional grades, and obtain accreditation by December 31 of the third school year following the first year in which the school begins offering instruction in the additional grades.

d. If the school is accredited, require that the governing body of the private school ensure that the school continuously maintains the accreditation from an accrediting entity as long as the school continues to participate in the program.

e. If the private school learns that an accrediting organization with which the private school is maintaining accreditation is a disqualified organization, require the school to immediately notify DPI in writing of this fact. Require the school to obtain accreditation from an accrediting entity no later than three years from the date on which the private school learns that the accrediting organization is a disqualified organization.

f. Require the governing body of the private school to annually, by August 1, provide DPI with evidence demonstrating that the school remains accredited for the current school year as required. Require the governing body to immediately notify DPI if the private school's accreditation status changes.

g. If a preaccrediting or accrediting entity determines during the preaccrediting or accrediting process that the private school does not meet all of the current law requirements for private schools, require the entity to report that failure to DPI.

h. Specify that the State Superintendent may issue an order barring a private school from participating in the program in the following school year if any of the following occurs: (1) the private school does not provide DPI with annual evidence of its accreditation; (2) an application by the private school for preaccreditation or accreditation is denied by the preaccrediting or accrediting entity; (3) the school does not obtain preaccreditation or accreditation under the periods defined in the bill. Require the State Superintendent to issue an order barring the school's participation in the program at the end of the current school year if the State Superintendent determines that the school has failed to continuously maintain accreditation, the school has withdrawn from the accreditation process, or the school's accreditation has been revoked, denied, or terminated. Prohibit a private school whose participation in the program is barred from participating until the governing body of the private school demonstrates to the satisfaction of DPI that the private school has obtained accreditation from any of the following: (1) if the school failed to continuously maintain accreditation, an accrediting entity other than the one with which the school failed to continuously maintain accreditation; (2) if the school withdrew from the accrediting process, an accrediting entity other than the entity from whose process the private

school withdrew; or (3) if the school's accreditation was revoked, denied, or terminate, an accrediting entity other than the entity that revoked, denied, or terminated the school's accreditation.

Specify that if a school fails to comply with these eligibility requirements, DPI may bar the school from participating in the program.

Specify that accrediting entity, preaccreditation, and preaccrediting entity would have the meaning given in the section of the statutes that governs the Racine and statewide private school choice program. Define disqualified organization as an accrediting organization that is not an accrediting entity or a member of or otherwise sanctioned by an accrediting entity.

Joint Finance/Legislature: Delete provision.

13. SPECIAL NEEDS SCHOLARSHIP PROGRAM -- DELETE ACTUAL COST REIMBURSEMENT PROVISION

Governor: Delete current law allowing a private school to submit a financial statement showing the actual costs that the private school incurred to implement a participating pupil's most recent individualized education program or services plan, as modified by an agreement between the private school and the pupil's parent, and specifying that the financial statement would be used to calculate the per pupil payment for that pupil in the following school year.

Require that if DPI makes a payment to a private school based on a submitted financial statement prior to the effective date of the bill, the amount paid to the school is considered an installment payment of the per pupil payment for the 2019-20 school year. Require DPI to adjust the remaining installment payments to ensure that the school receives the total scholarship amount for the 2019-20 school year for that pupil.

Under current law, if a private school chooses to submit a financial statement, payments of up to 150% of the per pupil payment amount for that year are fully funded through a reduction in the general aid that is otherwise paid to each pupil's school district of residence, offset with an equal revenue limit adjustment for the district. If the costs incurred by the school in the previous school year exceed 150% of the per pupil payment, the school is reimbursed for 90% of the remaining costs, but no corresponding aid reduction would occur. (As a result, payments made for costs incurred above 150% of the per pupil payment are funded with state GPR.) Schools may submit a financial statement beginning in the 2018-19 school year, so the first payments under the actual cost reimbursement provision would be made in the 2019-20 school year.

As a result of deleting this provision, payments for all pupils would be equal to the amount specified in current law, with adjustments for increases in revenue limit per pupil amounts to public school districts. (In 2018-19, the payments are equal to \$12,431 per pupil; it is estimated that under the bill, the payment amount would increase to \$12,631 in 2019-20 and \$12,835 in 2020-21.)

Joint Finance/Legislature: Delete provision.

14. SPECIAL NEEDS SCHOLARSHIP PROGRAM -- ADDITIONAL TUITION CHARGES

Governor: Prohibit a school participating in the program from charging or receiving any additional tuition payment for a pupil participating in the program, beginning in the 2020-21 school year, if any of the following applies: (a) the pupil is enrolled in grades K-8; (b) the pupil is enrolled in grades 9-12, and is a member of a family whose total family income does not exceed 220% of the federal poverty line.

Specify that participating private schools must determine whether the school is prohibited from charging or receiving additional tuition. Require DPI to establish a process for a private school to use to determine whether the school is prohibited from charging or receiving additional tuition. Require the school to obtain the following information: (a) the names of the pupil's parents that reside in the same household as the pupil; (b) whether and to whom the parents are married; (c) the names of all of the other members of the pupil's family residing in the same household as the pupil; and (d) the school year for which family income is being determined. Require the private school to establish a process for accepting an appeal to the governing body of the school.

Define family income as the federal adjusted gross income of the parents residing in the same household as the pupil for the tax year preceding the school year for which family income is being determined. Specify that family income includes income of the pupil's parents, and that family income for a family in which the pupil's parents are married must be reduced by \$7,000 before the income determination is made. Specify that a pupil placed with a kinship care relative, a long-term kinship care relative, a licensed foster home, or in a subsidized guardianship home is considered to have no family income.

Additionally, beginning in 2020-21, specify that a private school could recover the cost of providing any of the following items or services to a participating pupil through reasonable fees in an amount determined by the private school and charged to the pupil: (a) personal use items, such as uniforms, gym clothes, and towels; (b) social and extracurricular activities if not necessary to the private school's curriculum; (c) musical instruments; (d) meals consumed by children of the private school; (e) high school classes that are not required for graduation and for which no credits toward graduation are given; (f) transportation; (g) before-school and after-school child care; and (h) room and board. Specify that a private school could not prohibit an eligible pupil from attending the school, expel or otherwise discipline the pupil, or withhold or reduce the pupil's grades because the pupil or his or her parents have not paid such fees.

Joint Finance/Legislature: Delete provision.

15. SPECIAL NEEDS SCHOLARSHIP PROGRAM -- RELIGIOUS ACTIVITY OPT-OUT

Governor: Require a private school participating in the program allow a participating pupil to refrain from participating in any religious activity if the pupil's parent submits to the pupil's teacher or the private school's principal a written request that the pupil be exempt from such activities. Specify that DPI could bar a school from participating in the program if it fails to comply

with this requirement.

Joint Finance/Legislature: Delete provision.

16. INDEPENDENT CHARTER SCHOOL PROGRAM FUNDING

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Veto (Chg. to Leg.)	Net Change
GPR	\$28,637,200	- \$564,600	\$923,800	\$28,996,400
GPR Effect of Aid Reduction	<u>- 28,637,200</u>	<u>564,600</u>	<u>- 923,800</u>	<u>- 28,996,400</u>
Net GPR	\$0	\$0	\$0	\$0

Governor: Provide \$7,099,400 in 2019-20 and \$13,910,500 in 2020-21 as a reestimate of sum sufficient funding in the main appropriation for the independent charter school program. Base level funding is \$68,920,000. Based on the relevant provisions in the bill, the administration estimates that 8,600 pupils in 2019-20 and 9,150 pupils in 2020-21 will attend schools funded from this appropriation and that the per pupil payment under the program would increase from \$8,619 in 2018-19 to \$8,819 in 2019-20 and \$9,023 in 2020-21.

The main appropriation for the program currently funds payments to charter schools that the City of Milwaukee, UW-Milwaukee, and UW-Parkside operate or contract to operate. DPI pays the operators of these charter schools a statutorily-determined per pupil amount each year. By law, DPI is required to proportionally reduce the general aid for which each school district is eligible by an amount totaling the estimated payments under the program. Under revenue limits, districts may levy property taxes to make up for the amount of revenue lost due to these aid reductions.

Provide \$3,192,500 in 2019-20 and \$4,434,800 in 2020-21 as a reestimate of sum sufficient funding in the appropriation for independent charter schools authorized by the Office of Educational Opportunity (OEO) in the UW System. The administration estimates that 357 pupils in 2019-20 and 484 pupils in 2020-21 will attend schools funded from this appropriation. While there is no base level funding in this appropriation, an estimated 250 pupils will attend these schools in 2018-19, with an estimated \$2,154,800 in total payments to these schools.

DPI pays the operators of these charter schools the same per pupil payment as other independent charter schools. Pupils that attend these charter schools are counted by their district of residence for revenue limit and general aid purposes. DPI is required to reduce the district's general aid payment in an amount equal to the total of the per pupil payments made for pupils residing in the district. Districts are not allowed to levy to backfill, or replace, that aid reduction.

The total change in funding provided for the independent charter school program under this item includes the following changes attributable to other modifications made to the program under the bill, and summarized under other summary items. The table below shows the total cost of the program under current law, the fiscal effect of these changes, the total cost of the program under the bill, and the change to base level funding in each year.

**Cost of the Independent Charter School Program
Under the Bill, 2019-20 and 2020-21**

	2019-20			2020-21		
	Total GPR	GPR Effect of Aid Reduction	Net GPR	Total GPR	GPR Effect of Aid Reduction	Net GPR
Base	\$68,920,000	-\$68,920,000	\$0	\$68,920,000	-\$68,920,000	\$0
Changes under the bill						
Current law reestimate*	\$8,500,500	-\$8,500,500	\$0	\$12,729,300	-\$12,729,300	\$0
Prohibition on new schools	0	0	0	0	0	0
Count 4K as 1.0 FTE	0	0	0	1,723,900	-1,723,900	0
Modification to payment amount	<u>1,791,400</u>	<u>-1,791,400</u>	<u>0</u>	<u>3,892,100</u>	<u>-3,892,100</u>	<u>0</u>
Subtotal	\$10,291,900	-\$10,291,900	\$0	\$18,345,300	-\$18,345,300	\$0
Total cost of the program as modified by the bill	\$79,211,900	-\$79,211,900	\$0	\$87,265,300	-\$87,265,300	\$0

*Assumes no increase to the 2018-19 per pupil payment amount; under current law, the per pupil payment will be adjusted in each year by any revenue limit per pupil adjustment provided to public school pupils, if positive, and any increase in the per pupil categorical aid funding. This indexing mechanism would be modified under another provision of the bill.

Joint Finance/Legislature: Provide \$277,700 in 2019-20 and delete \$842,300 in 2020-21 for the independent charter school program. Of those amounts, \$266,600 in 2019-20 and -\$435,500 in 2020-21 would be attributable to the main appropriation for the independent charter school program, and \$11,100 in 2019-20 and -\$406,800 in 2020-21 would be attributable to the appropriation for independent charter schools authorized by the OEO. The appropriation changes in each year would be offset by equal changes in the associated aid reductions under the program.

These reestimates would reflect the following modifications: (a) deleting the proposal to count 4K pupils as 1.0 FTE (-\$1,723,900 in 2020-21); and (b) reestimating per pupil payment amounts (\$277,700 in 2019-20 and \$881,600 in 2020-21). As a result of these changes, the total cost of the program, and the associated aid reductions, would equal an estimated \$79,489,600 in 2019-20 and \$86,423,000 in 2020-21. Under the current law indexing mechanism, it is estimated that per pupil payments would increase by an estimated \$231 in 2019-20 and a further \$275 in 2020-21 under Joint Finance for payments of \$8,850 in 2019-20 and \$9,125 in 2020-21.

Vetoed by Governor [B-15, B-28, and B-30]: As a result of gubernatorial vetoes, reestimate payments under the program by \$546,400 GPR in 2019-20 and by \$377,400 GPR in 2020-21, which would be offset by equal changes in the associated aid reductions under the program to be consistent with a higher per pupil payment amount. Following the vetoes, it is estimated that the per pupil payment will increase by \$292 in 2019-20 and a further \$254 in 2020-21 relative to 2018-19 payments. As a result, the payments will equal an estimated \$8,911 in 2019-20 and \$9,165 in 2020-21.

The following table shows the estimated cost of the independent charter school program.

Estimated Cost of the Independent Charter School Program

	<u>2019-20</u>	<u>2020-21</u>
Total GPR	\$80,036,000	\$86,800,400
Aid Reduction	<u>-80,036,000</u>	<u>-86,800,400</u>
Net GPR	\$0	\$0

17. PROHIBITION ON NEW INDEPENDENT CHARTER SCHOOLS

Governor: Prohibit an independent charter school authorizer from entering into a contract with a person to operate a charter school that was not operating on the effective date of the bill, during the period from the effective date of the bill until July 1, 2023. Specify that this prohibition would not apply if: (a) the authorizer is opening the charter school under a contract provision under current law allowing a governing board to open one or more additional charter schools if all of the charter schools operated by the governing board were assigned one of the top two performance categories in the most recent school accountability report published by DPI; or (b) the authorizer notified the State Superintendent by February 1, 2019, of the authorizer's intent to establish the charter school.

Joint Finance/Legislature: Delete provision.

18. CHOICE, CHARTER, AND OPEN ENROLLMENT PAYMENT INDEXING MECHANISM [LFB Paper 591]

Governor: Modify the indexing mechanism for the payments for the private school choice programs, the special needs scholarship program, the independent charter school program, and the open enrollment program to specify that these payments would increase by an amount equal to the per pupil revenue limit adjustment for the current year, if positive, plus the change in the per pupil aid payment amount between the previous year and the current year, if positive.

Under current law, the various per pupil payment amounts under these programs are equal to the sum of the payment amount for the program in the previous year plus the per pupil revenue limit adjustment for the current year, if positive, plus the statewide change in funding per pupil for statutorily-specified categorical school aid appropriations, including per pupil aid, between the previous year and the current year, if positive.

If all of the increases to categorical aid appropriations and the per pupil revenue limit adjustment under the bill were included in the indexing calculation, it is estimated that the current law indexing provision would increase the various program payments by an estimated \$358 per pupil in 2019-20 and a further \$799 per pupil in 2020-21 as a change to the prior year. Under the bill, there is no increase in the per pupil aid payment amount, but the revenue limit per pupil adjustment would result in an increase of \$200 per pupil in 2019-20 and a further \$204 per pupil in 2020-21 as a change to the prior year in the various program payments.

Joint Finance/Legislature: Delete provision. Under the current law indexing mechanism, the various per pupil payments would increase by an estimated \$231 in 2019-20 and a further \$275 in 2020-21 under Joint Finance.

Vetoed by Governor [B-15, B-28, and B-30]: As a result of gubernatorial vetoes, it is estimated that the various per pupil payments will increase by \$292 in 2019-20 and a further \$254 in 2020-21 under Act 9.

19. OPEN ENROLLMENT AID TRANSFER AMOUNT -- SPECIAL EDUCATION [LFB Paper 592]

Governor: Delete the provisions of the 2017-19 budget act (2017 Act 59) modifying the aid transfer amount for special education students participating in the open enrollment program and restore prior law under which a single aid transfer amount applied to all of these students.

Under Act 59, a process was created under which the open enrollment aid transfer amount for a special education pupil (\$12,431 in 2018-19) could be adjusted. Beginning in the 2018-19 school year, at the end of a school year in which a special education pupil has participated in the program, a nonresident district may submit to DPI a financial statement that shows the actual costs the nonresident district incurred to provide a free appropriate public education to the pupil during that year. DPI is required to provide the resident district with a copy of any financial statement it receives. Beginning in the 2019-20 school year, the aid transfer amount for a pupil for whom the nonresident district does not submit a financial statement will equal the indexed amount described above. The aid transfer amount for a pupil for whom the nonresident district has submitted a financial statement will be the amount shown on the financial statement for that child for the previous school year, up to a maximum of \$30,000.

Joint Finance/Legislature: Delete provision.

20. OPPORTUNITY SCHOOLS AND PARTNERSHIP PROGRAM

Governor: Delete the statutory provisions adopted in the 2015-17 budget act and modified in the 2017-19 budget act related to the opportunity schools and partnership programs (OSPP).

In general, an OSPP is modeled as a "turnaround school district," with the potential to affect Milwaukee, Racine, and Madison. Currently, no districts or schools are participating in an OSPP.

More specifically, the 2015-17 budget act (2015 Act 55) created an OSPP within the Milwaukee Public Schools (MPS) under the management and control of a Commissioner appointed by the Milwaukee County Executive. Generally, the Commissioner could select MPS schools that either received the lowest rating on the most recent school accountability report or was identified as a vacant or underutilized building to be transferred to the OSPP. The Commissioner could transfer the operation and management of an OSPP school to either a nonprofit group operating a charter school, the governing body of a nonsectarian private school participating in a private school choice program, or an individual or group not currently operating a school, provided that the entity meets certain statutory criteria. The Commissioner could transfer

a school out of their OSPP if the Commissioner determined that the school has been placed in a performance category of "meets expectations" or higher on the three preceding consecutive accountability reports published for the school. The Commissioner could return operation and management of the school to the MPS Board (provided MPS has not received a grade of "fails to meet expectations" on the school district accountability reports in the three most recent consecutive school years) or to an individual or group as a non-instrumentality charter, or to the governing body of a private school.

Act 55 also created an OSPP (modeled on the above provisions) within MPS under the management and control of the MPS Superintendent and allowed for the creation of an OSPP within other eligible school districts that: (a) were assigned to the lowest performance category on two school district accountability reports in the most recent consecutive years; (b) had a pupil membership of over 15,000; and (c) received intradistrict transfer aid in the two school years in which the district was assigned the lowest performance category on the school district accountability reports.

The 2017-19 budget act (2017 Act 59) created additional provisions under which an eligible unified school district could be identified, with additional criteria based on the number and size of municipalities within the district and the delegation of decision-making authority related to employee benefits. Act 59 also created a procedure under which the village boards of each village within an eligible unified school district could initiate the process for the creation of a new school district, subject to a binding referendum on the proposed creation by voters in the territory of the proposed school district.

Joint Finance/Legislature: Delete provision.

21. REPLACE EARLY COLLEGE CREDIT PROGRAM WITH DUAL ENROLLMENT PROGRAMS [LFB Paper 593]

Governor: Delete the early college credit program, which allows high school pupils to enroll in an institution of higher education for the purpose of taking courses for high school credit, college credit, or both.

Instead, the bill would create new dual enrollment programs under the UW System and WTCS. [See "Dual Enrollment" under the UW System and under WTCS.]

Modify current law to replace references to the early college credit program with references to the new dual enrollment program, including the following: (a) in the notice of educational options required to be published by DPI and by each public school, including charter schools, and each private school participating in a choice program; and (b) in the requirement for a school board to grant a diploma to a pupil who meets high school graduation requirements, regardless of whether the pupil satisfied all or a portion of the requirements while attending a UW or WTCS institution under the dual enrollment programs.

Delete references to the early college credit program in current law, including the following: (a) a requirement for DPI to include the number and percentage of pupils participating in the early

college credit program in the accountability report prepared for each district and for each high school in the district; and (b) a requirement for school district clerks to include pupils participating in the early college credit program in the third Friday of September and second Friday of January headcounts.

Additionally, delete current law requiring school boards to pay the tuition of any enrolled pupil attending a UW institution if the pupil is not participating in the early college credit program, the course the pupil is attending at the university is not offered in the district, and the pupil will receive high school credit for the course.

Under current law, high school students enrolled in a public or private school can enroll in courses at a UW institution, a private, non-profit college or university, or a tribal college under the early college credit program. Under the program, the cost of a course is shared between the student's school or school district and the state, if the student will receive high school credit for the course, or between the school or school district, the state, and the student, if the student will receive only postsecondary credit for the course. Tuition charged by the UW institution cannot exceed one-third of the amount that would be charged to an individual who is enrolled as a Wisconsin undergraduate student for a pupil attending a four-year institution, or one-half the amount charged to a resident undergraduate for a pupil attending a UW College institution. Tuition charged by a private university cannot exceed one-third of the amount that would be charged by UW-Madison for a resident undergraduate student enrolled in a similar course. (A separate program exists allowing juniors and seniors enrolled in a public high school to take technical college courses under a dual enrollment program specific to WTCS. Under the program, a student does not pay for a college course if the district determines the course qualifies for high school credit and is not comparable to a course already offered in the district.)

Joint Finance/Legislature: Delete provision.

Administrative and Other Funding

1. STANDARD BUDGET ADJUSTMENTS

Governor/Legislature: Provide adjustments to the base budget totaling \$318,900 GPR, \$577,500 FED and -8.0 FED positions, and \$396,600 PR in 2019-20 and \$366,300 GPR, \$189,500 FED, and \$396,600 PR in 2020-21 for: (a) turnover reduction (-\$440,500 GPR and -\$525,900 FED annually); (b) removal of noncontinuing items from the base (-\$455,700 FED and -8.0 FTE in 2019-20 and -\$844,300 FED in 2020-21); (c) full funding of continuing position salaries and fringe benefits (\$425,900 GPR, \$1,519,100 FED, and \$373,700 PR annually); (d) reclassifications and semi-automatic pay progression (\$8,900 PR annually); (e) overtime (\$273,500 GPR, \$50,100 FED, and \$13,800 PR annually); (f) night and weekend differential pay (\$55,300 GPR, \$400 FED, and \$200 PR annually); and (g) lease and directed moves costs (\$4,700

	Funding	Positions
GPR	\$685,200	0.00
FED	767,000	- 8.00
PR	<u>793,200</u>	<u>0.00</u>
Total	\$2,245,400	- 8.00

GPR and -\$10,500 FED in 2019-20 and \$52,100 GPR and -\$9,900 FED in 2020-21).

2. MENTAL HEALTH AND SCHOOL CLIMATE TRAINING PROGRAMS [LFB Paper 571]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$5,160,000	- \$5,160,000	\$0

Governor: Provide an increase of \$2,580,000 annually above base level funding of \$420,000 for mental health and school climate training programs. Require DPI to provide training on pupil mental health, strategies to improve school climate, and school safety. As under current law, DPI would be required to provide training to school district staff and the instructional staff of independent charter schools regarding the following: (a) screening, brief interventions, and referral to treatment (SBIRT); (b) trauma sensitive schools; and (c) youth mental health first aid.

In addition, require DPI to annually award a grant to each of the following: (a) the Wisconsin Safe and Healthy Schools Training and Technical Assistance Center; (b) Wisconsin Family Ties, Inc., to train individuals to help families understand and access mental health services that are available to children in school and in the community; and (c) the Center for Suicide Awareness, Inc., to support staff, training, and expenses related to operating a text-based suicide prevention program. Authorize DPI to promulgate rules to implement and administer the training program.

Joint Finance/Legislature: Delete provision. Instead, provide \$110,000 annually in the Joint Committee on Finance supplemental appropriation for release to DPI upon request and approval by the Committee for HOPELINE, a text-based suicide prevention service operated by the Center for Suicide Awareness. The fiscal effect of this item is shown under Program Supplements.

3. SUPPORT FOR THE YOUTH RISK BEHAVIOR SURVEY

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$300,000	- \$300,000	\$0

Governor: Provide \$150,000 annually to support online administration of the youth risk behavior survey.

The survey is administered to middle- and high school pupils every two years in conjunction with the federal Center for Disease Control and Prevention, and collects data on topics such as mental health, alcohol and drug use, sexual behavior, and interpersonal violence.

Joint Finance/Legislature: Delete provision.

4. GRANTS FOR NATIONAL TEACHER CERTIFICATION OR MASTER EDUCATOR LICENSURE

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,224,100	- \$1,224,100	\$0

Governor: Provide \$571,200 in 2019-20 and \$652,900 in 2020-21 above base level funding of \$2,910,000 for grants for teachers who are nationally board certified or hold a Wisconsin master educator license.

Increase the size of the annual grant (either \$2,500 or \$5,000) under the current program for teachers who are employed in a school or school district the meets certain requirements as follows: (a) the annual grant would be \$15,000 in any school year in which the eligible individual is employed in a school that satisfies the following two criteria: (1) at least 60% of enrolled pupils meet the eligibility criteria for a free or reduced-price lunch under federal law; and (2) the school is located in an urban school district; and (b) the annual grant would be \$10,000 for eligible teachers in any school year in which the individual is employed in a school that satisfies the following two criteria: (1) at least 60% of enrolled pupils meet the eligibility criteria for a free or reduced-price lunch under federal law; and (2) the school is not located in an urban school district.

Define an urban school district as one with an enrollment of at least 18,000 pupils in either of the previous school year or the 2018-19 school year. Based on 2018-19 enrollment data, Green Bay, Kenosha, Madison, Milwaukee, and Racine would meet the urban school district definition.

Specify that the new grant amounts would first apply to grants awarded in the 2019-20 school year.

Under current law, any educator who obtains a national certificate from the National Board for Professional Teaching Standards or completes the Wisconsin master educator assessment process is eligible for an initial grant of \$2,000, followed by annual grants of \$2,500 annually for the duration of the certificate. Educators in schools high poverty schools, defined as those at which at least 60% of pupils are eligible for a free or reduced-price lunch, are eligible for annual grants of \$5,000.

Joint Finance/Legislature: Delete provision.

5. ELIMINATE TEACHER LICENSURE FOR ALTERNATIVE TEACHING PREPARATION PROGRAM

Governor: Delete current law requiring DPI to grant an initial teaching license to an individual who meets the following requirements: (a) possesses a bachelor's degree; (b) has successfully completed an alternative teacher certification program operated by an alternative preparation program provider that is a non-profit organization under section 501(c)(3) of the internal revenue code, that operates in at least five states and has been in operation for at least ten

years, and that requires the candidate to pass a subject area exam and the pedagogy exam known as the Professional Teaching Knowledge exam to receive a certificate under the program; and (c) successfully completes a background check.

Joint Finance/Legislature: Delete provision.

6. DELETE LAPSE OF TEACHER LICENSING FEES [LFB Paper 604]

Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR-REV - \$533,600	\$624,600	\$91,000

Governor: Specify that all program revenue received in the appropriation for teacher licensure would be credited to the appropriation for that purpose, rather than 90% of certain revenues as under current law. This would result in an estimated decrease of GPR-Earned equal to \$266,800 annually.

Under current law, 90% of revenues received from fees for the licensure of school and public library personnel are retained by DPI. The remaining 10% lapse to the general fund.

Joint Finance/Legislature: Delete provision. Additionally, increase estimated GPR-Earned for DPI by \$44,500 in 2019-20 and \$46,500 in 2020-21.

7. DEBT SERVICE REESTIMATE

GPR	\$137,400
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Governor/Legislature: Provide \$106,100 in 2019-20 and \$31,300 in 2020-21 as a reestimate of debt service payments for the state residential schools. Annual base level funding is \$988,700 GPR.

8. FUEL AND UTILITIES REESTIMATE [LFB Paper 600]

Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR \$88,700	- \$27,000	\$61,700

Governor: Provide \$38,900 in 2019-20 and \$49,800 in 2020-21 to reflect estimated costs for fuel and utilities for the state residential schools. Base level funding is equal to \$512,200 GPR annually.

Joint Finance/Legislature: Reduce funding by \$13,500 in each year of the biennium.

9. SCHOOL MENTAL HEALTH PROGRAMS POSITION AUTHORITY [LFB Paper 571]

	<u>Governor</u> <u>(Chg. to Base)</u>		<u>Jt. Finance/Leg.</u> <u>(Chg. to Gov)</u>		<u>Net Change</u>	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$167,600	1.00	-\$167,600	- 1.00	\$0	0.00

Governor: Provide \$72,100 and 1.0 position beginning in 2019-20 and \$95,500 in 2020-21 to support programming for mental health in schools.

Joint Finance/Legislature: Delete provision.

10. STAFF FOR TRANSFERRED GRANT PROGRAMS [LFB Paper 601]

	<u>Governor</u> <u>(Chg. to Base)</u>		<u>Jt. Finance/Leg.</u> <u>(Chg. to Gov)</u>		<u>Net Change</u>	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$111,500	1.00	-\$111,500	- 1.00	\$0	0.00

Governor: Provide \$48,000 and 1.0 position beginning in 2019-20 and \$63,500 in 2020-21. The Executive Budget Book indicates that this position would coordinate the following programs transferred from the Department of Workforce Development: (a) career and technical education grants; (b) career and technical completion awards; (c) grants for teacher training and recruitment; (d) teacher development grants; and (e) technical equipment grants.

Joint Finance/Legislature: Delete provision.

11. BILINGUAL-BICULTURAL POSITION AUTHORITY [LFB Paper 572]

	<u>Governor</u> <u>(Chg. to Base)</u>		<u>Jt. Finance/Leg.</u> <u>(Chg. to Gov)</u>		<u>Net Change</u>	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$95,500	1.00	-\$95,500	- 1.00	\$0	0.00

Governor: Provide \$95,500 and 1.0 position beginning in 2020-21 to administer programming for bilingual-bicultural pupils and limited-English proficient pupils.

Joint Finance/Legislature: Delete provision.

12. FARM TO SCHOOL GRANT POSITION [LFB Paper 137]

	Governor (Chg. to Base) Funding Positions		Jt. Finance/Leg. (Chg. to Gov) Funding Positions		Net Change Funding Positions	
GPR	\$111,500	1.00	-\$111,500	-1.00	\$0	0.00

Governor: Provide \$48,000 and 1.0 position beginning in 2019-20 and \$63,500 in 2020-21 to coordinate the farm to school grant program with the Department of Agriculture, Trade, and Consumer Protection.

Joint Finance/Legislature: Delete provision.

13. WISCONSIN READING CORPS [LFB Paper 602]

GPR	\$1,400,000
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Governor/Legislature: Provide \$700,000 annually for the Wisconsin Reading Corps (WRC), an AmeriCorps program that provides one-on-one literacy tutoring. Additionally, delete current law limiting the grants to the 2017-18 and 2018-19 fiscal years, but continue to require that WRC meet a \$250,000 annual matching requirement in order to receive funds.

Under 2017 Act 59, WRC was provided with one-time funding of \$300,000 in 2017-18 and \$700,000 in 2018-19, with a requirement that the organization provide matching funds of \$250,000 in each year as a condition of receiving the state payment.

[Act 9 Sections: 167, 1421, and 9434(1)]

14. VERY SPECIAL ARTS

GPR	\$50,000
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Governor/Legislature: Provide \$25,000 annually above base level funding of \$75,000 for Very Special Arts, a non-profit organization that provides art, music, drama, and other creative opportunities to children and adults with disabilities.

15. SPECIAL OLYMPICS

GPR	\$50,000
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Governor/Legislature: Provide \$25,000 annually above base level funding of \$75,000 to increase funding for Special Olympics, a non-profit organization that provides year-round sports training and athletic competition for children and adults with intellectual disabilities. Funding is used to offset the organization's general administrative costs.

16. GRANTS FOR BULLYING PREVENTION

Governor: Modify current law relating to the grant for bullying prevention to specify that the grant must be awarded annually to the nonprofit organization that received the award in the 2017-18 and 2018-19 school years. (The grant was awarded in those years to the Children's

Hospital of Wisconsin.)

Funding is equal to \$150,000 GPR annually, and the grants must provide training and an online bullying prevention curriculum for pupils in grades kindergarten to eight.

Joint Finance/Legislature: Delete provision.

17. PUBLIC LIBRARY SYSTEM AID [LFB Paper 603]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG	\$6,500,000	- \$4,500,000	\$2,000,000

Governor: Provide \$2,500,000 in 2019-20 and \$4,000,000 in 2020-21 above base level funding of \$15,013,100 for public library system aid. The segregated revenue is provided from the state universal service fund, which receives its funding through assessments on annual gross operating revenues from intrastate telecommunications providers. One-time funding of \$500,000 in 2017-18 and \$1,000,000 in 2018-19 was provided under 2017 Act 59.

Joint Finance/Legislature: Delete \$1,500,000 in 2019-20 and \$3,000,000 in 2020-21. As modified, funding would increase by \$1,000,000 annually above base level funding of \$15,013,100.

18. BADGERLINK AND NEWSLINE FOR THE BLIND

SEG	\$345,800
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Governor/Legislature: Provide \$345,800 in 2020-21 to increase funding for the contracts with current BadgerLink vendors and to maintain the current level of services through Newsline for the Blind. Annual base level funding is equal to \$2,937,500.

BadgerLink is an online library that contracts with vendors to provide access to licensed content such as magazines, newspapers, scholarly articles, videos, images, and music. Newsline for the Blind provides access to daily newspapers for people who cannot read print newspapers via an automated electronic voice that can be accessed using a telephone.

The segregated revenue is provided from the state universal service fund, which receives its funding through assessments on annual gross operating revenues from intrastate telecommunications providers.

19. LIBRARY SERVICE CONTRACTS

SEG	\$301,300
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Governor/Legislature: Provide \$133,200 in 2019-20 and \$168,100 in 2020-21 above base level funding of \$1,174,300 to fully fund the cost of statutorily-required library service contracts for resources of specialized library materials and other information.

DPI contracts with four service providers: (a) the Milwaukee Public Library; (b) the

University of Wisconsin-Madison; (c) the Wisconsin Talking Book and Braille Library; and (d) the Cooperative Children's Book Center. DPI indicates that projected costs for each of the contracts will increase over the biennium due to general operating cost increases, and insufficient funding would result in a cap on the amount of material that can be requested from the Milwaukee Public Library and the UW-Madison library.

The segregated revenue is provided from the state universal service fund, which receives its funding through assessments on annual gross operating revenues from intrastate telecommunications providers.

20. TRIBAL LANGUAGE REVITALIZATION GRANT OPERATIONS

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
PR	\$100,000	-\$100,000	\$0

Governor: Provide \$100,000 beginning in 2020-21 to pay operational and administrative costs incurred by the Great Lakes Inter-Tribal Council, Inc., to implement and administer tribal language revitalization grant programs. The program revenue is provided from tribal gaming revenue transferred from DOA. Authorize DPI to contract with the Great Lakes Inter-Tribal Council, Inc., to implement and administer the grant program, and make payments to the Council from the operations appropriation.

Joint Finance/Legislature: Delete provision.

21. WISELEARN

Governor: Expand the statutory purposes of WISElearn to include supporting digital archiving projects in public libraries.

Under current law, DPI is required to develop and maintain an online resource, called WISElearn, to provide educational resources for parents, teachers, and pupils; offer online learning opportunities; provide regional technical support centers; provide professional development for teachers; and enable video conferencing.

Joint Finance/Legislature: Delete provision.

22. TRANSFER THE OFFICE OF SCHOOL SAFETY TO DPI

	Governor (Chg. to Base)		Jt. Finance/Leg. (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$143,800	1.00	-\$143,800	- 1.00	\$0	0.00

Governor: Provide \$48,300 in 2019-20 and \$95,500 in 2020-21 and 1.0 position beginning in 2019-20 for the Office of School Safety.

Transfer the Office and its existing responsibilities from the Department of Justice (DOJ) to DPI. Specify that the director of the office would be appointed by the State Superintendent in the classified service and eliminate current law that assigns this position under DOJ to executive salary group 3 in the unclassified service. (Under current law, the Office's responsibilities include creating model practices for school safety, coordinating with schools and the Department of Administration to compile blueprints and geographic information system maps for all schools, and offering, or contracting with another party to offer, training to school staff on school safety.) Require DOJ to provide any resources or staff requested by the Office of School Safety to create the model practices and retain DOJ's current role in offering training to school staff on school safety.

Transfer the continuing appropriation for school safety grants, as well as the authority to award grants, to DPI. As under current law, grants may be awarded to school districts, independent charter schools, private schools, or tribal schools for expenditures related to improving school safety from a continuing appropriation.

Specify that the transfer would take effect on January 1, 2020. On that date, all tangible personal property of DOJ and contracts entered into by DOJ that are primarily related to the duties of the Office of School Safety, as determined by the State Superintendent, would be transferred to DPI. The contracts would remain in effect and DPI would be required to carry out any obligations under those contracts unless modified or rescinded to the extent allowed under the contract. All rules promulgated by DOJ or orders issued by DOJ that are in effect on the transfer date and are primarily related to the duties of the Office of School Safety, as determined by the State Superintendent, would remain in effect until their specified expiration dates or until modified or rescinded by DPI.

Joint Finance/Legislature: Delete provision.

23. PAID PLANNING TIME FOR TEACHERS

Governor: Require every school board to provide each of its teachers with paid planning time each school day equal to at least 45 minutes or the equivalent of one class period, whichever is longer.

Joint Finance/Legislature: Delete provision.