

# PUBLIC INSTRUCTION

Budget Summary						FTE Position Summary				
Fund	2022-23	Act 19		2023-25 Change Over		2022-23	Act 19		2024-25	
	Adjusted Base	2023-24	2024-25	Base Year Doubled	Amount		%	2023-24	2024-25	Number
GPR	\$7,225,881,800	\$7,572,373,200	\$7,880,990,600	\$1,001,600,200	6.9%	252.47	246.29	246.29	- 6.18	- 2.4%
FED	884,034,600	883,672,500	883,672,500	- 724,200	0.0	323.84	318.99	318.99	- 4.85	- 1.5
PR	53,631,000	55,025,100	54,970,600	2,733,700	2.5	77.69	75.99	75.99	- 1.70	- 2.2
SEG	70,664,100	79,918,100	82,196,900	20,786,800	14.7	0.00	0.00	0.00	0.00	N.A.
<b>TOTAL</b>	<b>\$8,234,211,500</b>	<b>\$8,590,988,900</b>	<b>\$8,901,830,600</b>	<b>\$1,024,396,500</b>	<b>6.2%</b>	<b>654.00</b>	<b>641.27</b>	<b>641.27</b>	<b>- 12.73</b>	<b>- 1.9%</b>

## Budget Change Items

### General School Aids and Revenue Limits

#### 1. STATE SUPPORT FOR K-12 EDUCATION [LFB Paper 630]

Provide \$6,861,352,900 in 2023-24 and \$7,101,005,300 in 2024-25 for general and categorical school aids. Compared to the 2022-23 base level funding of \$6,668,498,600, school aids would increase by \$192,854,300 (2.9%) in 2023-24 and \$432,506,700 (6.5%) in 2024-25. These proposed funding levels represent annual changes to the prior year of 2.9% in 2023-24 and 3.5% in 2024-25.

Under the historic definition of state 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 hard of hearing and the center for the blind and visually impaired), total funding would increase from the base amount of \$7,771,373,000 in 2022-23 to \$8,220,011,200 in 2023-24 and \$8,539,663,600 in 2024-25. These funding levels represent annual changes to the prior year of 5.8% in 2023-24 and 3.9% in 2024-25.

Using the historic definition of partial school revenues (the sum of state school aids and property taxes levied for school districts, less community service levies and a portion of the referenda-approved debt levy), it is estimated that state support of partial school revenues would increase from 67.8% in 2022-23 to approximately 68.8% in 2023-24 and 69.4% in 2024-25. A summary of the funding amounts for state support under Act 19 is presented in Table 1.

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

<u>State Funding</u>	<u>2022-23</u> <u>Base Year</u>	<u>Act 19</u>	
		<u>2023-24</u>	<u>2024-25</u>
General School Aids	\$5,218,420,000	\$5,356,290,000	\$5,581,190,000
Categorical Aids	1,450,078,600	1,505,062,900	1,519,815,300
School Levy Tax Credit	940,000,000	1,195,000,000	1,275,000,000
First Dollar Credit	150,000,000	150,000,000	150,000,000
State Residential Schools	<u>12,874,400</u>	<u>13,332,400</u>	<u>13,332,400</u>
<b>Total</b>	<b>\$7,771,373,000</b>	<b>\$8,219,685,300</b>	<b>\$8,539,337,700</b>
Change to Prior Year:			
	Amount	\$448,312,300	\$319,652,400
	Percent	5.8%	3.9%
Change to Base:			
	Amount	\$448,312,300	\$767,964,700
	Percent	5.8%	9.9%

Table 2 provides an outline of state support for K-12 education by individual fund source. Table 3 presents the Act 19 funding levels for each general and categorical school aid program as compared to the 2022-23 base funding level. The provisions relating to individual school aid programs are summarized in the items that follow.

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

	<u>2022-23</u> <u>Base Year</u>	<u>Act 19</u>	
		<u>2023-24</u>	<u>2024-25</u>
<b>GPR</b>			
General School Aids	\$5,218,420,000	\$5,356,290,000	\$5,581,190,000
Categorical Aids	1,387,586,900	1,439,272,100	1,454,024,500
School Levy Tax Credit	940,000,000	1,195,000,000	1,275,000,000
First Dollar Credit	150,000,000	150,000,000	150,000,000
State Residential Schools	<u>12,874,400</u>	<u>13,332,400</u>	<u>13,332,400</u>
GPR Subtotal	\$7,708,881,300	\$8,153,894,500	\$8,473,546,900
<b>PR</b>			
Categorical Aids	\$1,507,500	\$1,507,500	\$1,507,500
<b>SEG</b>			
Categorical Aids	<u>\$60,984,200</u>	<u>\$64,283,300</u>	<u>\$64,283,300</u>
<b>Total State Support - All Funds</b>	<b>\$7,771,373,000</b>	<b>\$8,219,685,300</b>	<b>\$8,539,337,700</b>

**TABLE 3**

**General and Categorical School Aid by Funding Source  
2022-23 Base Year Compared to Act 19**

Agency	Type and Purpose of Aid	2022-23 Base Year	Act 19		2023-25 Change to Base Year Doubled	
			2023-24	2024-25	Amount	Percent
<b>General Aid</b>						
DPI	General School Aids	\$5,201,590,000	\$5,356,290,000	\$5,581,190,000	\$534,300,000	5.1%
	High Poverty Aid	<u>16,830,000</u>	<u>0</u>	<u>0</u>	<u>-33,660,000</u>	-100.0
	Total General Aid	\$5,218,420,000	\$5,356,290,000	\$5,581,190,000	\$500,640,000	4.8%
<b>Categorical Aid--GPR Funded</b>						
DPI	Per Pupil Aid	\$601,400,000	\$591,003,000	\$587,812,400	-\$23,984,600	-2.0%
	Special Education	517,890,000	558,036,700	574,777,700	97,034,400	9.4
	High-Cost Special Education Aid	11,439,200	13,032,000	14,480,000	4,633,600	20.3
	Spec. Ed. Transition 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	27,983,800	28,614,000	28,614,000	1,260,400	2.3
	Pupil Transportation	24,000,000	24,000,000	24,000,000	0	0.0
	High-Cost Transportation Aid	19,856,200	22,800,000	22,800,000	5,887,600	14.8
	Aid for School Mental Health Programs	12,000,000	12,000,000	12,000,000	0	0.0
	Mental Health Collaboration Grants	10,000,000	25,000,000	25,000,000	30,000,000	150.0
	Peer-to-Peer Suicide Prevention Grants	250,000	250,000	250,000	0	0.0
	Bilingual-Bicultural Aid	8,589,800	10,089,800	10,089,800	3,000,000	17.5
	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
	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
	Rural School Teacher Talent Pilot Program	1,500,000	1,500,000	1,500,000	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	1,000,000	1,000,000	1,000,000	0	0.0
	Robotics League Participation Grants	500,000	750,000	750,000	500,000	50.0
	Gifted and Talented	474,400	474,400	474,400	0	0.0
	Aid for Transportation--Open Enr./Early College	454,200	454,200	454,200	0	0.0
	Supplemental Aid	100,000	100,000	100,000	0	0.0
DOA	Debt Service--Tech. Infrastructure Bonding	<u>325,500</u>	<u>344,200</u>	<u>98,200</u>	<u>-208,600</u>	-32.0
	Total Categorical Aid--GPR Funded	\$1,387,586,900	\$1,439,272,100	\$1,454,024,500	\$118,122,800	4.3%
<b>Categorical Aid--PR Funded</b>						
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%
<b>Categorical Aid--SEG Funded</b>						
DPI	School Library Aids	\$45,000,000	\$52,000,000	\$52,000,000	\$14,000,000	15.6%
DOA	Telecommunications Access for Educ. Agencies	<u>15,984,200</u>	<u>12,283,300</u>	<u>12,283,300</u>	<u>-7,401,800</u>	-23.2
	Total Categorical Aid--SEG Funded	\$60,984,200	\$64,283,300	\$64,283,300	\$6,598,200	5.4%
	Total Categorical Aid--All Funds	\$1,450,078,600	\$1,505,062,900	\$1,519,815,300	\$124,721,000	4.3%
	Total School Aid--All Funds	\$6,668,498,600	\$6,861,352,900	\$7,101,005,300	\$625,361,000	4.7%

**2. GENERAL SCHOOL AIDS [LFB Paper 630]**

GPR	\$534,300,000
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Provide \$154,700,000 in 2023-24 and \$379,600,000 in 2024-25 above base level funding of \$5,201,590,000 for general school aids. The general school aids appropriation funds equalization, integration, and special adjustment aid. This funding represents an increase of 3.0% in 2023-24 and 4.2% in 2024-25 compared to the prior year.

**3. HIGH POVERTY AID [LFB Paper 631]**

GPR	- \$33,660,000
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Delete base funding of \$16,830,000 annually for high poverty aid. The appropriation and program statutes for the aid would remain in statute.

A district is eligible for high poverty aid if at least 50% of its enrollment on the third Friday of September in the immediately preceding even-numbered year, rounded to the nearest whole percentage point, satisfied the income eligibility criteria for a free or reduced-price lunch in the national school lunch program. Aid per pupil is calculated by dividing the appropriated amount by the total pupil membership of all eligible districts, using the pupil membership data from the equalization aid calculation in the first year of the biennium. A district's total payment is determined by multiplying that amount by each district's pupil membership.

By law, for all districts except the Milwaukee Public School (MPS), this aid is subject to revenue limits. For MPS, high poverty aid must be used to reduce the property tax levied to offset the aid reduction attributable to the Milwaukee private school choice program. In either case, the effect of this aid is to reduce the property tax levy of the eligible school district.

**4. REVENUE LIMIT PER PUPIL ADJUSTMENT [LFB Paper 630]**

Set the per pupil adjustment under revenue limits at \$325 in 2023-2425.

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. In 2022-23, no per pupil adjustment was added to each district's base revenue per pupil to determine its 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.

[Act 19 Sections: 402 thru 408]

**5. LOW REVENUE ADJUSTMENT [LFB Paper 630]**

Pursuant to 2023 Wisconsin Act 11, increase the low revenue adjustment amount under revenue limits from \$10,000 per pupil in 2022-23 to \$11,000 per pupil in 2023-24 and annually thereafter.

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.

Under current law, if the voters in a district reject an operating referendum, the low revenue adjustment amount for that district remains at the amount for the school year during which the referendum was held for the following three school years. If the voters in such a district subsequently approve an operating referendum during the three-year period, however, the district's low revenue adjustment in the school year after the referendum equals the amount for that year.

## Categorical Aids

- 1. SPECIAL EDUCATION [LFB Paper 635]** GPR      \$97,034,400

Provide \$40,146,700 in 2023-24 and \$56,887,700 in 2024-25 for special education categorical aid. It is estimated that this funding would increase the proration rate from 31.5% in 2022-23 to 33.3% in 2023-24 and 2024-25. Base level funding is \$517,890,000.

- 2. HIGH COST SPECIAL EDUCATION AID [LFB Paper 635]** GPR      \$4,633,600

Provide \$1,592,800 in 2023-24 and \$3,040,800 in 2024-25 for high cost special education categorical aid. It is estimated that this funding would increase the proration rate from 39.5% in 2022-23 to 40% in 2023-24 and 50% in 2024-25. Base level funding is \$11,439,200.

- 3. BILINGUAL-BICULTURAL AID [LFB Paper 637]** GPR      \$3,000,000

Provide \$1,500,000 annually above base level funding of \$8,589,800 for bilingual-bicultural aid. It is estimated that this funding would increase the proration rate to 8.9% in 2023-24 and 8.7% in 2024-25. In 2021-22, the reimbursement rate under the program was approximately 7.7%.

- 4. PER PUPIL AID [LFB Paper 630]** GPR      - \$23,984,600

Reduce funding by \$10,397,000 in 2023-24 and \$13,587,600 in 2024-25 as the result of a sum sufficient reestimate of estimated per pupil aid payments. Base level funding is \$601,400,000.

Each school district receives a statutorily-specified, flat per pupil aid payment, outside of revenue limits, from the sum sufficient appropriation for per pupil aid. Under current law, this payment is \$742 per pupil payment in 2022- 23 and each year thereafter. A district's aid payment is based on its current three-year rolling average pupil count under revenue limits.

**5. EARLY LITERACY AND READING IMPROVEMENT [LFB Paper 638]**

Place \$50,000,000 in the Joint Finance Committee supplemental appropriation for a literacy program. The funding provided is shown under "Program Supplements."

**6. HIGH COST TRANSPORTATION AID [LFB Paper 639]**

GPR	\$5,887,600
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Provide \$2,943,800 annually above base level funding of \$19,856,200 for high cost transportation aid. It is estimated that this amount would reimburse 75% of eligible costs. Additionally, modify statutory language to eliminate the \$200,000 cap for payments for districts that qualified for aid in the previous year, but did not qualify in the current year. As a result, payments to all school districts receiving aid under the program would be prorated at the same rate.

Under current law, school districts qualify for high cost transportation aid if they meet the following eligibility requirements: (a) a transportation cost per member greater than 140% 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 2021-22, 192 districts were eligible for aid under the program, and payments to those districts were prorated at 66.8%. Eleven districts had been eligible in the previous year but did not meet the eligibility requirements in the current year, and received payments equal to 52.8% of the maximum amount for which they were eligible (50% of their prior year payment).

[Act 19 Section: 399g]

**7. PUPIL TRANSPORTATION AID**

Modify statutory language to increase the reimbursement rate for pupils transported over 12 miles to and from school in the regular school year from \$375 to \$400 beginning in the 2023-24 school year. It is estimated that the current funding level (\$24.0 million GPR) would fully fund payments at the increased rate.

<u>Mileage</u>	<u>Current Law</u>		<u>Act 19</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	375	20	400	20

[Act 19 Section: 397]

**8. SPARSITY AID**

GPR	\$1,260,400
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Provide \$630,200 annually over base level funding of \$27,983,800 for sparsity aid. It is estimated that the funding would increase the proration rate to 100% in each year. In 2022-23, payments were prorated at 98%.

**9. SCHOOL LIBRARY AIDS REESTIMATE**

SEG	\$14,000,000
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Reestimate school library aids by \$7,000,000 annually. Base level funding is \$45,000,000 annually. Revenues are from interest earned on the segregated common school fund, administered by the Board of Commissioners of Public Lands.

**10. SCHOOL-BASED MENTAL HEALTH SERVICES GRANT**

GPR	\$30,000,000
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Provide a one-time increase of \$15,000,000 in each year of the biennium above base level funding of \$10,000,000 for grants for school-based mental health services. Specify that beginning in the 2023-24 school year and in each year thereafter, DPI would be required to award a grant to each school board and independent charter school operator in an amount determined as follows: (a) divide the number of pupils enrolled in the school district or charter school in the current school year by the total number of pupils enrolled statewide in school districts and independent charter schools; and (b) multiply the quotient by the total amount appropriated for the current school year. Modify statutory language to indicate that the grants are for the purpose of collaborating with mental health providers, rather than community mental health agencies as under current law. Delete current law specifying that grants are awarded under a competitive grant program, and school boards and independent charter schools can apply for a grant individually or as a consortium. Delete current law specifying that DPI would establish by rule the criteria used to award grants, and requiring DPI to award at least \$3,250,000 in grants annually beginning in the 2018-19 school year.

[Act 19 Sections: 389 thru 392]

**11. ROBOTICS LEAGUE PARTICIPATION GRANTS**

GPR	\$500,000
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Provide \$250,000 annually above base-level funding of \$500,000 for the robotics league participation grants.

Additionally, modify statutory language to specify that the maximum grant award would be \$6,000, rather than \$5,000 as under current law.

[Act 19 Section: 393]

**12. SHARED SCHOOL DISTRICT SERVICES**

Provide \$5,000,000 GPR in the Joint Finance Committee supplemental appropriation for

shared school district services. The fiscal effect of this item is shown under "Program Supplements."

### 13. RECOVERY SCHOOL GRANTS

Provide \$500,000 GPR annually in the Joint Finance Committee supplemental appropriation for a grant program for recovery high schools, which are public, private, or tribal high schools specifically designed for pupils in recovery from a substance use disorder. Create a new, annual appropriation under DPI for the grants. The fiscal effect of this item is shown under "Program Supplements."

[Act 19 Section: 68]

## Choice, Charter, and Open Enrollment

### 1. MILWAUKEE PRIVATE SCHOOL CHOICE PROGRAM FUNDING [LFB Paper 106]

GPR	\$124,993,500
GPR Effect of Aid	
Reductions	<u>21,312,800</u>
Net GPR	\$146,306,300

Provide \$55,752,000 in 2023-24 and \$69,241,500 in 2024-25 relative to base level funding for the Milwaukee private school choice program. Reestimate aid reductions by \$5,853,700 in 2023-24 and \$15,459,100 in 2024-25.

As a result of these changes, the total cost of the program would equal an estimated \$300,168,600 in 2023-24 and \$313,658,100 in 2024-25. The aid reduction would be equal to \$9,605,400 in 2023-24 and \$0 in 2024-25, for a net GPR cost of \$290,563,200 in 2023-24 and \$313,658,100 in 2024-25. It is estimated that pupil participation will total 28,400 in 2023-24 and 28,700 in 2024-25.

Under the provisions of 2023 Wisconsin Acts 11 and 19, the per pupil payment for K-8 pupils is estimated to increase from \$8,399 in 2022-23 to \$9,893 in 2023-24 and \$10,237 in 2024-25, and the per pupil payment for 9-12 pupils is estimated to increase from \$9,045 in 2022-23 to \$12,387 in 2023-24 and \$12,731 in 2024-25.

### 2. RACINE AND STATEWIDE PRIVATE SCHOOL CHOICE PROGRAM FUNDING [LFB Paper 106]

GPR	\$169,870,300
GPR Effect of Aid	
Reductions	<u>- 174,245,800</u>
Net GPR	-\$4,375,500

Provide \$66,987,400 in 2023-24 and \$102,882,900 in 2024-25 relative to base level funding for the statewide and Racine private school choice programs. Reestimate aid reductions by -\$68,566,100 in 2023-24 and -\$105,679,700 in 2024-25.

As a result of these changes, the total cost of the program would equal an estimated



\$239,404,400 in 2023-24 and \$275,299,900 in 2024-25. The aid reduction would be equal to \$231,056,900 in 2023-24 and \$268,170,500 in 2024-25, for a net GPR cost of \$8,347,500 in 2023-24 and \$7,129,400 in 2024-25. It is estimated that pupil participation will total 22,900 in the two programs in 2023-24 and 25,500 in 2024-25.

Under the provisions of 2023 Wisconsin Acts 11 and 19, the per pupil payment for K-8 pupils is estimated to increase from \$8,399 in 2022-23 to \$9,893 in 2023-24 and \$10,237 in 2024-25, and the per pupil payment for 9-12 pupils is estimated to increase from \$9,045 in 2022-23 to \$12,387 in 2023-24 and \$12,731 in 2024-25.

**3. SPECIAL NEEDS SCHOLARSHIP PROGRAM FUNDING [LFB Paper 106]**

GPR	\$1,910,600
GPR Effect of Aid Reductions	<u>- 1,910,600</u>
Net GPR	\$0

Reduce funding by \$2,605,800 in 2023-24 and increase funding by \$4,516,400 in 2024-25 relative to base level funding for the special needs scholarship program. The cost of the program is fully offset by aid reductions to participating pupils' school districts of residence.

As a result of these changes, the total cost of the program, and the associated aid reductions, would equal an estimated \$38,021,000 in 2023-24 and \$45,143,200 in 2023-24. It is estimated that pupil participation will total 2,556 in 2023-24 and 2,966 in 2024-25.

Under the provisions of 2023 Wisconsin Acts 11 and 19, the per pupil payment is estimated to increase from \$13,076 in 2022-23 to \$15,065 in 2023-24 and \$15,409 in 2024-25.

**4. INDEPENDENT CHARTER SCHOOL PROGRAM FUNDING [LFB Paper 106]**

GPR	\$89,383,000
GPR Effect of Aid Reductions	<u>- 42,556,800</u>
Net GPR	\$46,826,200

Provide \$22,572,700 in 2023-24 and \$28,901,500 in 2024-25 as a reestimate of sum sufficient funding in the main appropriation for the independent charter school program. Base level funding is \$86,584,100.

The main appropriation for the program currently funds payments to charter schools that the City of Milwaukee, UW-Milwaukee, UW-Parkside, and the Lac Courte Oreilles Ojibwe College contract to operate. It is estimated that 9,533 pupils in 2023-24 and 9,793 pupils in 2024-25 will attend schools funded from this appropriation. Under the provisions of 2023 Wisconsin Acts 11 and 19, the per pupil payment for the independent charter school program is estimated to increase from \$9,264 in 2022-23 to \$11,385 in 2023-24 and \$11,729 in 2024-25.

Provide \$16,209,700 in 2023-24 and \$21,699,100 in 2024-25 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. Base level funding is \$9,805,000.

It is estimated that 2,285 pupils in 2023-24 and 2,686 pupils in 2024-25 will attend schools funded from this appropriation. DPI pays the operators of these charter schools the same per pupil payment as other independent charter schools.

Pupils that attend charter schools authorized by the OEO or the Lac Courte Oreilles Ojibwe College 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. By law, there is no general aid reduction related to payments to schools authorized by the City of Milwaukee, UW-Milwaukee, and UW-Parkside.

The aid reduction for these pupils would increase by \$18,383,900 in 2023-24 and \$24,172,900 in 2024-25 from the base reduction of \$13,664,900. The net general fund fiscal effect for the independent charter program would be increased expenditures of \$20,398,500 in 2023-24 and \$26,426,700 in 2024-25.

As a result of these changes, the total cost of payments under the independent charter school program would equal an estimated \$135,171,500 in 2023-24 and \$146,989,700 in 2024-25.

## 5. CHOICE AND CHARTER PAYMENT ADJUSTMENTS

Pursuant to 2023 Wisconsin Act 11, an additional adjustment amount would be added to the current law indexing mechanism in 2023-24 for the per pupil payments under the private school choice, special needs scholarship, and independent charter school programs. The adjustments would be equal to a specified percentage of the \$11,000 per pupil low revenue adjustment amount under Act 11. Table 1 shows, for each program, the percent of the low revenue adjustment amount and the dollar figure for the additional adjustment amount in 2023-24.

**TABLE 1**

### **Additional 2023-24 Per Pupil Payment Adjustment Amounts**

	Percent of 2023-24 low revenue <u>adjustment amount</u>	<u>Dollar amount</u>
Private school choice - K-8 pupil	10.0%	\$1,100
Private school choice - 9-12 pupil	26.8	2,948
Special needs scholarship	14.5	1,595
Independent charter school	15.7	1,727

Also under 2023 Act 11, an additional factor would be added to the indexing mechanism for each of the program payments in 2024-25 and each year thereafter. For the private school choice program payment for pupils in grades 9-12, the special needs scholarship program, and the independent charter school program, the additional amount would equal the change in the low revenue adjustment amount between the previous school year and the current school year, if positive. For the private school choice program payment for pupils in grades K-8, the additional amount would equal 90% of the change in the low revenue adjustment amount between the previous school year and the current school year, if positive.

Table 2 shows the estimated per pupil payments for each program under the provisions of 2023 Wisconsin Acts 11 and 19.

**TABLE 2**

**Per Pupil Payments Under Acts 11 and 19**

	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Private school choice - K-8 pupil	\$8,399	\$9,893	\$10,237
Private school choice - 9-12 pupil	9,045	12,387	12,731
Special needs scholarship	13,076	15,065	15,409
Independent charter school	9,264	11,385	11,729

**Administrative and Other Funding**

**1. STANDARD BUDGET ADJUSTMENTS [LFB Paper 105]**

	<b>Funding</b>	<b>Positions</b>
GPR	-\$1,410,000	0.00
FED	- 724,200	0.00
PR	<u>- 170,700</u>	<u>- 1.00</u>
Total	-\$2,304,900	- 1.00

Provide adjustments to the base totaling -\$705,000 GPR, -\$326,100 FED, -\$58,100 PR, and -1.0 PR positions in 2023-24 and -\$705,000 GPR, -\$326,100 FED, and -\$112,600 PR in 2024-25 for: (a) turnover reduction (-\$814,700 GPR and -\$912,700 FED annually); (b) full funding of continuing position salaries and fringe benefits (-\$179,000 GPR, \$521,700 FED, and -\$17,700 PR annually); (c) overtime (\$274,100 GPR, \$41,800 FED, and \$13,900 PR annually); (d) night and weekend differential pay (\$55,400 GPR, \$400 FED, and \$200 PR annually); (e) removal of non-continuing elements from the base (-\$54,500 PR and -1.0 PR positions in 2023-24 and -\$109,000 PR in 2024-25); and (f) lease and directed moves costs (-\$40,800 GPR and -\$13,300 FED annually).

**2. FUEL AND UTILITIES REESTIMATE**

GPR	\$154,000
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Provide \$74,700 in 2023-24 and \$79,300 in 2024-25 to reflect estimated costs for fuel and utilities for the state residential schools. Base level funding is equal to \$428,300 annually.

**3. DEBT SERVICE REESTIMATE [LFB Paper 106]**

GPR	\$527,400
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Modify funding by \$138,400 in 2023-24 and \$404,500 in 2024-25 as a reestimate of debt service payments for the state residential schools. Annual base level funding is \$904,700.

**4. REACH OUT AND READ [LFB Paper 657]**

Provide \$500,000 GPR in 2023-24 under the existing Department of Health Services appropriation to Reach Out and Read, Inc., a Massachusetts nonstock corporation, for an early literacy program operated in Wisconsin to support integration of books and reading into pediatric care and encourage families to read aloud together. (The fiscal effect is shown under "Health Services -- Public Health.")

**5. PROGRAM REVENUE REESTIMATES**

PR	\$2,904,400
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Reestimate program revenue by \$1,452,200 annually. The reestimate includes \$5,900 annually in the appropriation for personnel licensure; -\$125,100 annually in the appropriation for school lunch handling charges; \$1,561,400 annually in the appropriation for data processing; and \$10,000 annually in the appropriation for leasing space at the Wisconsin Educational Services Program for the Deaf and Hard of Hearing and Wisconsin Center for the Blind and Visually Impaired.

**6. PUBLIC LIBRARY AID [LFB Paper 658]**

SEG	\$6,000,000
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Provide \$2,000,000 in 2023-24 and \$4,000,000 in 2024-25 above base level funding of \$20,013,100 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.

**7. RECOLLECTION WISCONSIN**

SEG	\$450,000
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Provide \$150,000 in 2023-24 and \$300,000 in 2024-25 for Recollection Wisconsin, and require the State Superintendent to annually distribute the funding to Wisconsin Library Services, Inc. (WiLS) to support the digitization of historic materials in public libraries throughout the state. Create an annual, sum certain SEG appropriation for this purpose. The segregated revenue would be provided from the universal service fund, which receives its funding through assessments on annual gross operating revenues from intrastate telecommunications providers.

Recollection Wisconsin is a consortium administered by WiLS, a nonprofit organization of Wisconsin libraries and other organizations, with the Wisconsin Historical Society, UW-Milwaukee, UW-Madison, the Milwaukee Public Library, Marquette University, and DPI also serving as governing partners. Its purpose is to collect digital historical resources from Wisconsin libraries, archives, museums, and historical societies, and make them publicly available.

[Act 19 Sections: 69 and 388]

**8. BADGERLINK AND NEWSLINE FOR THE BLIND**

SEG	\$307,000
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Provide \$104,000 in 2023-24 and \$203,000 in 2024-25 above base level funding of

\$3,283,300 to maintain the current level of services provided through BadgerLink and Newsline for the Blind.

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 newspapers on a daily basis 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.

**9. LIBRARY SERVICES CONTRACTS**

SEG	\$29,800
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Provide \$29,800 beginning in 2024-25 above base level funding of \$1,367,700 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 indicated 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.

**10. PUPIL ASSESSMENT**

GPR	- \$2,000,000
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Reduce funding by \$1,000,000 annually from base level funding of \$16,558,400 for pupil assessment.

**11. SPECIAL OLYMPICS**

GPR	\$200,000
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Provide an increase of \$100,000 annually above base level funding of \$100,000 for the Special Olympics.

**12. DELETE VACANT POSITIONS**

GPR	- 6.18
FED	- 4.85
PR	- <u>0.70</u>
Total	- 11.73

Delete 6.18 GPR positions, 4.85 FED positions, and 0.70 PR positions that have been vacant for more than 18 months.

**13. ONLINE EARLY LEARNING PILOT PROGRAM** [LFB Paper 659] 

GPR	- \$1,000,000
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Reduce funding by \$500,000 annually due to the nonstatutory language that created the program under 2019 Act 170 specifying that the repeal of the appropriation for the online early learning program would take effect on July 1, 2023.

Under the online early learning program, DPI is required to contract with a service provider to conduct an early learning pilot program to provide online instruction in reading, math, and science to help low-income children transition to kindergarten.

[Act 19 Sections: 473 thru 476]