

INVESTING IN OUR FUTURE:

The Need for Sustainable Funding for Wisconsin Schools



In six of the last 10 years, revenue limits for Wisconsin public schools have remained unchanged. This has led to a growing gap between revenue and rising expenses, especially when considering the impact of inflation over the past several years. The current funding system for Wisconsin schools is unsustainable and has resulted in enormous challenges for school districts and the students and families they serve.

WHAT'S BEHIND THE CHALLENGE

- ▶ Public schools received \$325 per pupil. However, general school district revenues per pupil **lag inflation by more than \$3,300 since 2009.**
- ▶ When the state funds the School Levy Tax Credit, it lowers local property taxes, but it **does not provide public schools with spendable dollars.**
- ▶ **Two years of \$0 increases** in 2021-2023 removed school districts' ability to build on their base revenue, created budget gaps, and affected academic recovery investments.
- ▶ Due to a mechanism in state law, future funding for choice schools will increase along with increases in revenue limits, categorical aid, and special education aid for public school districts.

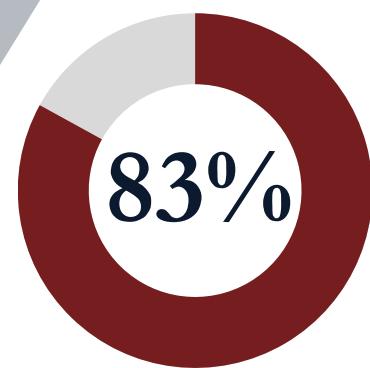


WISCONSIN'S RANKING nationally in per-pupil funding

This is 7.2% below the national average, continuing a downward trend. Wisconsin ranked 11th in the nation in 2002.

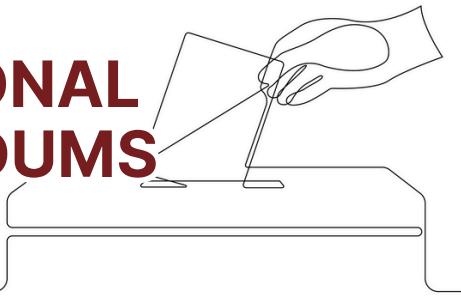
2023-24 Per-Pupil FUNDING INCREASES

Public Schools (K-12)	+\$325
Voucher Schools (9-12)	+\$3,342
Voucher Schools (K-8)	+\$1,494
Special Needs Vouchers	+\$1,989



of Wisconsin families choose public schools for their children's education

Trend Toward OPERATIONAL REFERENDUMS



Due to the funding situation at the state level and rising costs, school districts across Wisconsin have had no choice but to turn to their local communities to adequately fund their schools. The only mechanism available to them is an operational referendum.

Educating students simply costs more now, with increased expectations that have been implemented over the last three decades including:

- Increased unfunded mandates
- Heightened accountability
- Increased legal complexities
- More complex human resources management
- Increased costs for curriculum, student academic and support needs
- Rising expenses for utilities, insurance, healthcare, transportation, food service, wages, aging buildings, and mounting deferred maintenance

We need a more SUSTAINABLE SOLUTION.



Relying on operational referendums to fund Wisconsin's public schools is **neither sustainable nor equitable**. The state's outdated funding system and insufficient state aid force districts to repeatedly ask local taxpayers for additional support simply to maintain their operations. This creates **significant disparities between districts**.

Rising costs due to inflation exacerbate the problem, making it harder for districts to keep up with staffing, programming, and facility needs. This **piecemeal approach places an unfair burden on local taxpayers and leads to financial instability for schools**.

To address this critical issue, the state must provide **adequate, consistent funding** to ensure all Wisconsin students—regardless of where they live—receive a high-quality education.

INCREASED FUNDING would support...



Investment in career preparation and exploration in high-demand fields, preparing students for the future



The ability of school districts to retain and attract high-quality teachers and staff through competitive wage increases



Covering the rising costs of healthcare, cybersecurity, property insurance, energy, and staffing



The maintenance and repair of school facilities, protecting the investments communities have already made in their schools



Special education programs and services, preventing these costs from being absorbed by districts' general funds



Schools' abilities to identify, address, and support students' mental and emotional health needs

SAA's BUDGET PRIORITIES

60%

1. Implement an increase to the Special Education Reimbursement Rate.

SAA is seeking a 60% reimbursement of aidable costs for special education programming. This would strike a balance by providing flexible, spendable revenue for all school districts, ensuring they have adequate resources to support students with special needs.

Additionally, we ask that special education funding be structured as "sum sufficient." This shift would allow school districts to be more responsive to fluctuating demands and costs.

2. Provide predictable, sustainable, and inflationary-responsive revenue limit increases.

We strongly support general revenue increases for school districts that are **adjusted for inflation**, ensuring the financial needs of students are adequately met. Flexible and spendable revenue is crucial for school districts, allowing them to effectively address diverse needs.

To achieve this, we suggest a combination of funding approaches, including both revenue limit/general aid and per-pupil categorical aid, which would offer districts more versatility in managing resources.

This balanced funding approach would help meet the needs of all school districts, regardless of their size or financial situation.

SAA supports raising the low revenue limit ceiling. Low-revenue districts often struggle to provide the same level of educational services as their neighboring districts.

A steadily improving low revenue ceiling policy is an important component of ensuring equitable resources for all children—no matter where they live.

3. Build a strong school workforce.

Addressing Wisconsin's teacher shortage will require a multifaceted approach. The state budget should play a pivotal role in supporting districts by funding initiatives that make the teaching profession more attractive and financially sustainable for both current and future educators.



We have a
BIG opportunity
in front of us.

Given Wisconsin's over \$4 billion projected budget surplus, we have the chance to provide our public schools with the funding they need to provide students with a truly exceptional educational experience. Making this investment now will ensure our schools have a sustainable funding mechanism and adequate revenues well into the future. **We cannot afford to miss this opportunity—let's make the most of it!**

**CONTACT
your
ELECTED
OFFICIALS**



Scan me

We encourage all those who support public education to contact their representatives in the state legislature and urge them to support equitable and sustainable funding for Wisconsin's public schools. Find contact information by scanning the QR code or visiting legis.wisconsin.gov.