

WASBO Spring Conference

Legislative Update

May 20, 2021

Political Backdrop

- Most difficult political environment I have ever faced in 20 years of lobbying.
- Partisan venom inside the Capitol is most intense I have ever seen.
- View everything through the lens of the 2022 gubernatorial election.
- This state budget is Governor Evers' reelection budget.
- GOP wants to prevent a victory for the Governor on the budget.
- GOP believes it is their job to get the Governor "fired" in 2022.

2021-23 State Budget

- Evers K-12 education budget request – \$1.65 billion.
- Evers budget priorities needed federal Medicaid expansion and tax increases.
- GOP removed 391 items from budget including Medicaid expansion, tax uppers.
- Left significant gap between Evers, GOP on K-12 funding, other budget priorities.
- One item removed – Allow districts to count full-day 4K students as 1.0 FTE.
- JFC working from the base, essentially building their own budget.
- This action not unexpected. Co-chairs signaled it for weeks. Mirrors last budget session.
- Even with this action, JFC has about \$2.5 Billion in available revenue.
- New revenue estimates (early June) will likely result in increased available revenues.
- Non-fiscal policy, new budget programs unlikely to come out of JFC (Partial Veto).
- K-12 funding will likely flow through existing line items.
- Budget process has really picked up speed in the past few weeks.
- Budget Process Timeline – JFC Agency Briefings, JFC Hearings, JFC Executive Sessions (Votes), Both Houses, Governor, Vetoes, Sign by June 30th? Protracted Stalemate?
- GOP legislators seem to be of many different opinions about K-12 budget funding.
- GOP narrative – K-12 doesn't need more money, and increasingly . . .
- . . . direct aid increases to those districts doing in-person instruction.
- Others seem to want a budget bill the Governor could sign.
- Important for SAA members to share what you hear from your GOP legislators.

SAA Budget Priorities

- SAA budget objective, priorities remain the same.
- SAA objective – **Get the Most, For the Most, In the Most!!**
- Focus on 1) Special Education; 2) General Revenues; and 3) Student Count Mitigation.

Top Items in Member Budget Advocacy

- **Special Education Aid.** Provide a \$709 million increase over the biennium that would allow for 45% reimbursement in 2021-22 and 50% reimbursement in 2022-23.
- **General Aid.** Provide \$612.8 million increase over the biennium.
- **Revenue Limits.** Increase per pupil adjustment \$200 in 2021-22 and \$204 in 2022-23.
- **Per Pupil Aid.** Set the per pupil aid payment at \$750 per pupil in each year. Provide an additional \$75 per economically disadvantaged student.

- **Student Count Mitigation.** Allow school districts to use the greater of 2019-20 or 2020-21 pupil counts for revenue limits. Increase special adjustment aid from 85% to 90% of prior year general aid in each year. Governor's plan does not include treating non-recurring declining enrollment exemption and base revenue hold harmless as recurring adjustments as in DPI plan. Very important to explain to legislators the impact of student count decline on your district.
- **School Mental Health Categorical Aid.** Increase by \$46.5 million over the biennium. Expand program to reimburse 10% of pupil services staff expenditures each year.
- **Low Revenue Ceiling.** Set the low revenue adjustment at \$10,250 in 2021-22 and \$10,500 in 2022-23.
- **Broadband.** Invest over \$200 million to expand broadband access in Wisconsin. JFC takes up Broadband Expansion on 5/20.
- **High-Cost Transportation.** Budget motion forwarded by Felzkowski, Mursau. Lower aid threshold to statewide average. \$41 million annually to fully fund the proposal.

Suggestions for Budget Advocacy

- Special thanks to those that testified at the JFC budget hearings.
- SAA issued two State Budget Alerts to members (late March, early April).
- We issued another urgent appeal this week.
- Many thanks to those that have communicated with legislators on our budget priorities.
- Thank you, and I need you to do it again. Only you can tell your district's budget story.
- I urge those that have not yet communicated with legislators to do so.
- It's important for members in all 421 districts to advocate for the budget priorities.
- I anticipate JFC will take up the K-12 budget the week after Memorial Day (5/31).
- So, we have a ten-day window of opportunity. Sooner the better. Let's get after it!
- Focus on your legislators. Ask them to support your schools in caucus.
- See SAA Budget Talking Points (attached).

Other Legislation

- I anticipate that few bills will become law this session.
- GOP will pass lots of bills that the Governor will veto.
- AB 59/SB 41 – Expansion of voucher income limit. Passed Assembly. SAA opposed.
- AB 188/SB 182 – School Start Date. Effective 2022-23. Cleared Senate Education Committee unanimously. SAA supports.
- AB 162/SB 177 – Timing of Equalization Aid Payments. Available for scheduling in both houses. SAA supports.

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SAA Budget Talking Points

May 20, 2021

1. Discuss your district's 2020-21 spending on COVID safety, technology, additional staffing, etc., and how you used your initial federal aid for these purposes. Also, share your plans for using additional one-time federal aid on your district's student recovery efforts. Finally, make sure to explain that one-time federal aid is designed for COVID relief and recovery. Resources to support continuing educational opportunities for your students must come from the state budget process. Keep in mind that some legislators have openly expressed the opinion that, because of this one-time federal aid, public schools in Wisconsin don't need ongoing support in the 2021-23 state budget.
2. Express your strong support for the Governor's proposal to increase the level of special education aid to reimburse 50 percent of aidable costs by the end of the 2021-23 biennium. First and foremost, this proposal will help us meet the ongoing needs of our most vulnerable students. Also, Wisconsin school districts collectively transfer about \$1.15 billion annually from district general funds to cover the funding gap between required special education costs and current state funding. Explain your district's "general fund to special education fund" annual transfer and how significant increases in special education aid can help meet the needs of all students in your district.
3. Express your strong support for at least a \$200 per pupil general revenue increase in each year of the biennium. Explain the importance of these increases in per pupil revenues in both fiscal and human terms. In particular, emphasize the impact on educational opportunities for the kids you serve.
4. Express your strong support for comprehensive pupil count mitigation including: 1) Allowing districts to use the greater of the 2019-20 or 2020-21 pupil count for revenue limit calculations; 2) Increasing special adjustment aid from 85 percent to 90 percent of prior year general aid in each year of the biennium; and 3) Treating the non-recurring declining enrollment exemption and base revenue hold harmless as recurring adjustments for one year only. Be sure to explain your district's projected fiscal impact of the pupil count decline and what that could mean for educational opportunities for the kids you serve.
5. Express your strong support for the Governor's \$46.5 million proposed expansion of the School Mental Health Categorical Aid program to provide financial support for services provided by school psychologists, nurses, counselors, and social workers.
6. Express your strong support for setting the low revenue ceiling (LRC) at 90 percent of the statewide average maximum revenue limit per student. The current LRC amount of \$10,000 is 87.3 percent of the current state average revenue limit of \$11,450. A steadily improving LRC policy is an important part of ensuring equitable resources for all children no matter where they live.
7. Express your strong support for the High-Cost Transportation proposal being advanced by Senator Felzkowski and Representative Mursau. This proposal would lower the aid threshold in the program from 145% of the statewide average per pupil transportation cost to the statewide average (100%). An additional \$41 million annually would fully fund the proposal and positively impact 287 districts.