

Co-Sponsorship Memorandum

To: All Legislators

From: Representatives Nygren, Felzkowski, Mursau, and Kitchens
Senators Marklein, Olsen, and Testin

Date: January 8, 2018

Re: Co-sponsorship of LRB 5167: relating to: sparsity aid, the revenue limit ceiling for school districts, and making an appropriation.

Deadline: 1:00 pm on Tuesday, January 9, 2018

The 2017-19 Budget made an historic investment in K-12 education, providing an increase of more than \$600 million for our public schools. This bill will continue that record investment by addressing two issues that were unresolved in the budget bill: relief for low-revenue districts and sparsity aid.

In September, the Legislature voted to take a significant step towards equality in our school funding system by increasing the low-revenue ceiling adjustment. The change, which would help historically low-spending school districts catch up with higher spending neighbor districts, was ultimately vetoed by the Governor due to some legitimate concerns about its impact.

This bill re-introduces what the Legislature passed while addressing the Governor's concerns. In the 2018-19 school year, the low-revenue ceiling will increase from \$9,100 to \$9,400; and then increases by \$100 each school year until the ceiling reaches \$9,800 in the 2022-23 school year. To address the Governor's concerns, the bill specifies that if an operating referendum fails in a school district, the school district may not use the low-revenue ceiling increases for at least three years. For example, if District A held an operating referendum in 2016 and the referendum failed, District A would have a low-revenue ceiling of \$9,100 until 2019. The only way District A could exceed \$9,100 before the end of the three year period is if the voters approved a referendum to do so. This modification ensures local voters have appropriate say in school district taxing. The budget bill signed by Governor Walker already provides the funding necessary to offset the impact of this provision on property taxpayers.

The bill also provides increased Sparsity Aid funding, similar to a provision in the Governor's proposed budget. This proposal will increase per pupil payments from \$300 to \$400 for districts with membership below 745 and a sparsity factor of less than 10 members per square mile. This increase will provide about \$6,454,600 in the 2018-19 school year.

If you have questions or would like to co-sponsor this legislation, please reply to this e-mail or call Representative Nygren's office at 266-2343 by 1pm on January 9.