

To: All Legislators

From: Sen. Larson and Sen. Smith
Rep. Pope and Rep. Considine

Date: October 6, 2020

Re: Pandemic School Stability Package

DEADLINE: October 13, 2020

In these unprecedented times, our neighborhood public schools have faced mounting challenges in providing quality public education to the children of our state while ensuring their safety and that of their staff. The resilience of these institutions, as they face the realities of COVID-19, is owed to the ingenuity and problem solving of administrators, staff, and community members.

Our schools have worked commendably to support and share ideas across district borders to meet these new challenges head-on. However, whether meeting virtually or in-person, our public schools are experiencing increased costs and logistical challenges. Milwaukee Public Schools alone has spent an additional \$24 million to support students through this pandemic.

It is important to note that the current school funding formula was not designed to compensate for fluctuations caused by this pandemic. Our districts are staring down a future of uncertainty which, without legislative action, will harm the future of public education in Wisconsin.

These pieces of legislation provide clarity on the future financial outlooks for districts while recognizing the need for flexibility in the expectations placed on students and educators.

If you would like to co-sponsor these pieces of legislation, please respond by replying to this email by October 13th.

Analysis by the Legislative Reference Bureau – LRB 6474/1

NUMBER OF PUPILS ENROLLED IN THE 2020-21 SCHOOL YEAR; REVENUE LIMITS, PER PUPIL AID, AND THE INDEXING MECHANISM FOR OTHER PER PUPIL PAYMENTS:

Under this bill, for purposes of school district revenue limits, per pupil aid, and the indexing mechanism for per pupil payments in various other programs, such as the parental choice programs and the open enrollment program, the number of pupils enrolled in a school district in the 2020-21 school year is the greater of the number of pupils enrolled in the school district in the 2020-21 school year or the 2019-20 school year.

- **School District Revenue Limits**
Current law limits the total amount of revenue a school district may receive from general school aids and property taxes in a school year. One factor used to calculate

a school district's revenue limit is a three-year rolling average of the school district's pupil enrollment. For example, both the average of a school district's 2017-18, 2018-19, and 2019-20 pupil enrollments and the average of the school district's 2018-19, 2019-20, and 2020-21 pupil enrollments will be used to calculate the school district's 2020-21 school year revenue limit. In each applicable school year, a school district's pupil enrollment is based on a pupil count that occurs on the third Friday in September and 40 percent of the school district's summer school enrollment. Under the bill, for purposes of determining a school district's revenue limit in the 2020-21, 2021-22, 2022-23, and 2023-24 school years, a school district's pupil enrollment for the 2020-21 school year is the greater of the school district's pupil enrollment in the 2019-20 school year or the school district's pupil enrollment in the 2020-21 school year, as calculated under current law.

- **Per Pupil Aid**

Under current law, a school district's pupil enrollment is a factor in the per pupil aid calculation. Per pupil aid is a categorical aid paid to school districts. Per pupil aid is funded from a sum sufficient appropriation and is not considered for purposes of revenue limits. The amount of per pupil aid paid to a school district is calculated using a three-year average of the number of pupils enrolled in the school district and a per pupil amount set by law. In the 2020-21 school year, the calculation for the amount of per pupil aid paid to a school district is \$742 times the average of the school district's pupil enrollment in the 2018-19, 2019-20, and 2020-21 years. Under the bill, for purposes of calculating per pupil aid in the 2020-21, 2021-22, and 2022-23 school years, a school district's pupil enrollment in the 2020-21 school year is the school district's pupil enrollment in the 2019-20 or 2020-21 school year, whichever is greater.

- **Indexing mechanism for other per pupil payments**

Under current law, the number of pupils enrolled statewide, as determined for school district revenue limits, is a factor in the indexing mechanism used to adjust the per pupil payment amounts under the parental choice programs, the special needs scholarship program, the independent charter school program, and the open enrollment program. The adjustment under the indexing mechanism is an amount equal to the sum of any positive per pupil revenue limit adjustment for the current year and any positive change in the amount of statewide categorical aid per pupil between the previous school year and the current school year. Under current law, the change in the amount of statewide categorical aid per pupil is determined by dividing the difference in categorical aid by the average of the number of pupils enrolled statewide in the three previous school years. Under the bill, in the 2021-22, 2022-23, and 2023-24 school years, for the purpose of calculating the statewide categorical aid per pupil in the indexing mechanism formula, the number of pupils enrolled statewide in the 2020-21 school year is a) the sum of each school district's pupil enrollment in the 2020-21 school district, as determined for per pupil aid in the 2020-21 school year or b) the total number of pupils enrolled statewide in the 2019-20 school year, whichever is greater.

TRANSPORTATION AID; 2021-22 SCHOOL YEAR

In the 2021-22 school year, this bill requires the Department of Public Instruction to pay a school district or independent charter school the greater of 1) the amount of transportation aid the school district or independent charter school is entitled to receive under current law or 2) the amount of transportation aid the school district or independent charter school received in the 2020-21 school year. Under current law, transportation aid is paid to school districts, which are required to provide transportation to pupils, and to independent charter schools that opt to provide transportation to charter school pupils. Transportation aid is provided for transporting pupils during the previous school year to and from school during the regular school term and to and from summer classes. The amount of transportation aid paid to a school district or independent charter school is based on an annual amount set by law for each transported pupil. Current law requires DPI to prorate the amount of transportation aid owed to each school district and independent charter school if the amount appropriated for transportation aid is insufficient to pay the total amount of claims in a school year.

TRANSFERS FROM A LONG TERM CAPITAL IMPROVEMENT TRUST FUND; 2020-21 AND 2021-22 SCHOOL YEARS

During the 2020-21 and 2021-22 school years, this bill allows a school board that has a long-term capital improvement trust fund on the date the bill becomes law to transfer money in the trust fund to the school district's general fund. Under current law, a school board that approves a long-term capital improvement plan for a minimum of ten years may create a long-term capital improvement trust fund for the purpose of financing the capital improvements included in the long-term plan. Current law prohibits a school board from spending any money deposited in a long-term capital improvement trust fund for a period of five years from the date the trust fund is created. After the initial five-year period, a school board is allowed to spend money in the trust fund only for the purposes described in the school board's long-term plan and is expressly prohibited from transferring money in the trust fund to any other school district fund.

Analysis by the Legislative Reference Bureau – LRB 6473

Under the bill, requirements to administer various pupil assessments do not apply in the 2020-21 school year. The bill also prohibits the Department of Public Instruction from publishing a school and school district accountability report for the 2020-21 school year.

PUPIL ASSESSMENTS

Current law also requires school boards, independent charter schools, and private schools participating in a parental choice program to annually administer a standardized reading test developed by DPI to third grade pupils. The requirements to administer the third grade standardized reading test did not apply in the 2019-20 school year. Under the bill, the requirements to administer the third grade standardized reading test do not apply in the 2020-21 school year.

Under current law, school boards and independent charter schools are required to evaluate teachers and principals using an educator effectiveness evaluation system that considers pupil performance on statewide assessments. School boards and independent charter schools were prohibited from considering pupil performance on statewide assessments in evaluating teachers and principals in the 2019-20 school year. Under the bill, the prohibition against considering pupil performance on statewide assessments in evaluating teachers and principals also applies in 2020-21 school year. Current law also requires school boards, independent charter schools, and private schools participating in a parental choice program to annually administer a standardized reading test developed by DPI to third grade pupils. The requirements to administer the third grade standardized reading test did not apply in the 2019-20 school year. Under the bill, the requirements to administer the third grade standardized reading test do not apply in the 2020-21 school year. Under current law, school boards and independent charter schools are required to evaluate teachers and principals using an educator effectiveness evaluation system that considers pupil performance on statewide assessments. School boards and independent charter schools were prohibited from considering pupil performance on statewide assessments in evaluating teachers and principals in the 2019-20 school year. Under the bill, the prohibition against considering pupil performance on statewide assessments in evaluating teachers and principals also applies in 2020-21 school year.

SCHOOL AND SCHOOL DISTRICT ACCOUNTABILITY REPORT

Under current law, DPI is required to publish a school and school district accountability report for the previous school year by November 30. To measure school performance and school district improvement for purposes of the report card, particularly measures related to pupil achievement in reading and math, DPI uses data derived from pupil performance on the WSAS. Under current law, schools and school districts were not required to administer the WSAS in the 2019-20 school year and DPI is prohibited from publishing a school and school district accountability report in the 2020-21 school year. Under the bill, schools and school districts are not required to administer the WSAS in the 2020-21 school year and DPI is prohibited from publishing a school and school district accountability report in the 2021-22 school year.