June 6, 2017

TO:     Representative John Nygren  
        Room 309 East, State Capitol

FROM:   Russ Kava and Christa Pugh

SUBJECT: Budget Proposal Relating to K-12 Funding

At your request, this memorandum summarizes a proposal relating to K-12 school finance and the Department of Public Instruction.

General School Aids and Revenue Limits (Including Per Pupil Aid)

1.  General School Aids (Paper #490). Provide an additional $20,000,000 GPR in 2017-18 and $10,000,000 GPR in 2018-19 for general school aids.

2.  Per Pupil Aid (Paper #490). Increase the categorical per pupil aid payment from $250 per pupil in 2016-17 to $400 in 2017-18 and to $600 in 2018-19 (the bill would set the per pupil aid payment at up to $450 and $654). Delete $42,692,300 GPR in 2017-18 and $48,106,100 GPR in 2018-19 compared to the bill under this change. Under this provision, a total of $125,167,200 GPR in 2017-18 and $292,707,200 GPR in 2018-19 would be provided as increases to annual base level funding of $210,992,800 GPR.

3.  Low Revenue Adjustment (Paper #490). Increase the low revenue adjustment under revenue limits from the current law $9,100 per pupil to $9,800 per pupil in 2018-19 and each year thereafter. It is estimated that school districts would use $92.2 million of this revenue limit adjustment to increase the school levy in 2018-19.

4.  Per Pupil Aid Funding Increase -- School District Certifications (Paper #491). Adopt Alternatives A4 and B6, which would delete the provisions requiring school districts to make certifications related to employee payment of health care costs and pass-through of funding to school buildings as a condition of receiving the incremental increase in per pupil aid.

5.  School Levy Tax Credit (Paper #570). Delete $35.0 million from the $87.0 million increase in the school levy tax credit distribution in the 2017(18) property tax year under the bill, resulting in a $52.0 million increase in the credit distribution for the 2017(18) property tax year, rather than $87.0 million as under the bill. Provide an additional $60.0 million above the $87.0
million increase to base level funding in the 2018(19) property tax year under the bill for a total increase of $147.0 million compared to the base. Because the levy credit is paid on a delayed basis in the following year, the proposal would reduce expenditures by $35.0 million GPR in 2018-19 and increase expenditures by $60.0 million GPR in 2019-20 compared to the bill.

6. **Scheduling of School District Referenda.** Move to incorporate the provisions of Assembly Bill 269, which would specify that school district referenda would be limited to being held only on spring election or general election days. Specify that, for a school district that has experienced a natural disaster, including a fire, that causes the school district’s costs to increase, a district could call a special referendum to be held within the six-month period immediately following the natural disaster, provided the special referendum would be held not sooner than 70 days after the adoption of the initial resolution. Specify that the provisions would first apply to school board resolutions adopted by a school board on the effective date of the bill.

**Categorical Aids**

7. **Sparsity Aid (Paper #500).** Adopt Alternative 2a, which would fully fund the program under current law and delete the Governor’s proposal to increase the per pupil payment from $300 to $400 and provide $100 per pupil for districts with between 745 and 1,000 pupils and a population density of fewer than 10 pupils per square mile.

   Additionally, specify that any district that qualified for sparsity aid in one year but did not qualify the following year would receive 50% of its prior year award in the year in which it became ineligible for sparsity aid. (In 2016-17, two districts (Erin and Spring Valley) would have qualified for $146,300 in additional aid under this provision.) Provide an additional $150,000 GPR annually to fund this change.

   Reduce funding under the bill by $9,138,900 GPR in 2017-18 and $9,034,200 GPR in 2018-19 to reflect these changes.

8. **High Cost Pupil Transportation Aid (Paper #501).** Adopt Alternative 1, which approves the Governor’s recommendation and would create a stop-gap measure requested in errata materials submitted to the Committee. Under the stop-gap measure, any district that qualified for high cost transportation aid in one year but did not qualify the following year would receive 50% of its prior year award in the year in which it became ineligible for aid under the program.

   In addition, expand the program so that it would apply to transportation cost above 145% of the statewide average, rather than 150% as under current law. As a result, based on 2016-17 data, it is estimated that the proration rate would equal approximately 78%.

9. **Special Education Transitions Incentive Grant (Paper #502).** Adopt Alternative 1, which approves the Governor’s recommendation with a technical correction to specify that school districts could qualify for aid based on responses to Wisconsin Post-School Outcomes surveys conducted in the previous fiscal year, which would allow DPI to award grants in the 2017-18 school year and later.

10. **Special Education Transitions Readiness Grant (Paper #503).** Adopt Alternative 1,
which approves the Governor's recommendation to provide $1,500,000 GPR in 2018-19 for a new program for special education transition readiness investment grants, with a corrective amendment requested by DOA that would create statutory language defining the program. Under the program, DPI would be required to award grants of $25,000 to $100,000 to school districts and independent charter schools to fund special education workforce transition support services, including pupil transportation, professional development for school personnel, and employing adequate school personnel, and to develop rules to implement and administer the program.

11. Mental Health Programs and Bullying Prevention Program (Paper #506). Adopt Alternative A1, which would approve the Governor's recommendation to provide $3,000,000 GPR beginning in 2018-19 to reimburse expenditures for school social workers.

Modify Alternative B1, which would approve the Governor's recommendation to provide $2,500,000 GPR beginning in 2018-19 for mental health collaborative grants for school districts and independent charter schools, by providing an additional $1,000,000 GPR in 2018-19 for the grants.

Adopt Alternative C2, which would delete $200,000 GPR annually from the bill for mental health training programs to reflect funding that would be provided in January 2017 Special Session Assembly Bill 11.

Adopt Alternative D1, which would approve the Governor's recommendation to provide $150,000 GPR annually for grants to a nonprofit organization to provide training and an online bullying prevention curriculum.

12. Shared Services Categorical Aid Program. Provide $3,500,000 GPR beginning in 2018-19 for a pilot program that would provide categorical aid funding for districts that share certain administrative positions.

Specify that districts could qualify for aid based on the following amounts for each position shared, with no limit to the number of positions that could be shared: (a) for a district administrator, $40,000; (b) for a human resources director, information technology coordinator, or business manager, $22,500; (c) for any other non-faculty administrative position, excluding principals and assistant principals, $17,500. If a district employee serves in more than one administrative position and both are included in the shared services plan, the district could only receive aid for one of the positions. Provide that each district sharing these positions would qualify for 100% of the above amounts in the first three years in which the positions are shared, 50% of the above amounts in the fourth year, and 0% in the fifth year. If districts participating in the shared services program chose to enter into a whole grade sharing agreement before the start of the fourth year of their participation in the program, specify that those districts would receive 100% of the funding amount in all five years of the pilot program, in addition to any aid received under the whole grade sharing program. Specify that districts can share positions with any unit of government, but only school districts could qualify for aid under the program.

Require districts to submit a shared services plan to DPI by July 1, 2018, to apply for the program. Require that the plan include the position or positions that the districts intend to share, the positions that will be eliminated, and the salary and fringe benefits cost of those positions. Require
that districts meet the following requirements to be eligible for aid: (a) any school board participating in the plan pass a resolution stating their intent to share services under the program; and (b) the plan must result in a net reduction in filled administrative positions between the involved districts.

Require DPI to approve eligible districts on a first-come, first-served basis until funding is fully committed, and distribute the first funds under the program by January 1, 2019. Specify that if one or more of the participating districts hired an additional staff member in one of the positions shared under the plan, specify that both districts would be removed from the pilot program and would no longer receive funding.

Require DPI to submit a report to the Joint Committee on Finance by February 1, 2019, including the following information: (a) the number of districts that applied for the program; (b) the number of districts approved for the program, and the names of those districts; (c) the number of administrative positions that will be shared under the program; (d) the amount of funding expended; and (e) the total reduction in salary and fringe benefit costs by districts participating in the program.

13. Whole Grade Sharing Categorical Aid Program. Provide $1,500,000 GPR beginning in 2018-19 in a new sum certain appropriation that would provide categorical aid funding for districts that participate in a whole grade sharing agreement. Under current law, two or more school districts can enter into a whole grade sharing agreement to consolidate pupils in a particular grade level by offering that grade in only one of the participating districts.

Under the new aid program, provide aid equal to $150 per pupil enrolled in a grade included in a whole grade sharing agreement in the first year of the agreement. Provide an amount equal to the first year's aid in each of the next three years, and 50% of the first year's aid in the fifth year. No moneys would be received under the program beginning in the sixth year of the agreement. Specify that DPI would prorate payments if the aid entitlement exceeds available funding. (Under current law, each school district is required to include in its annual school district report the number of pupils residing in the district but attending a public school in another district under a whole grade sharing agreement.)

Specify that if districts participating in a whole grade sharing agreement decide to consolidate before entering the fifth year of the agreement, those districts would receive 100% of the aid received in the first year of the agreement in the fifth and sixth years of the agreement.

14. Consolidation Aid Categorical Aid Program. Provide $1,000,000 GPR beginning in 2018-19 in a new sum sufficient appropriation that would provide categorical aid funding for two or more school districts that consolidate into one district.

Specify that districts could qualify for aid equal to $150 per pupil attending school in the consolidated district for the first five years after the consolidation. In the sixth year, districts would qualify for 50% of the amount received in the fifth year after the consolidation. In the seventh year, districts would qualify for 25% of the amount received in the fifth year after the consolidation.

Specify that in the first five years after the consolidation takes effect, the consolidated school district's state general school aids could not be less than the total aggregate state general school
aids received by the consolidating school districts in the school year prior to the consolidation, with additional aid payments made from the general equalization aids appropriation, as under current law. Additionally, specify that the consolidated school district would receive sparsity aid equal to at least 50% of the total sparsity aid, if any, received by the consolidated school districts in the school year prior to the consolidation for the first five years of the consolidation.

Delete current law consolidation aid adjustments relating to the calculation of equalization aid. Under current law, for five years after consolidation the primary and secondary cost ceiling amounts, as well as the primary, secondary and tertiary guarantees are multiplied by 1.15. Any additional aid generated by these provisions is outside of revenue limits. In the sixth year, the consolidated district receives a recurring revenue limit adjustment equal to 75% of any additional aid received in year five.


Specify that the following entities would be eligible for grants under the program: (a) a school board; (b) an operator of a charter school; (c) the governing body of a private school; and (d) a tribal school. Specify that grants would be equal to $125 per ninth grade pupil, defined as the number of ninth grade pupils included in the school district's membership in the prior school year for a public school and as the number of ninth grade pupils attending the school in the current year for an independent charter, private, or tribal school. Require applicants to demonstrate that they would provide equal matching funds as a condition of receiving a grant. If funding in any year is insufficient, require DPI to prorate grant payments among the eligible applicants.

Specify that grants awarded under the program could be used only for the following purposes: (a) to purchase personal electronic computing devices; (b) to purchase software for personal electronic devices; (c) to purchase curriculum, including any related educational content or materials, a portion or all of which includes content that may be accessed on a personal electronic computing device; or (d) to train professional staff on how to effectively incorporate personal electronic devices into a classroom and into a high school curriculum. Define "personal electronic computing device" as an electronic computing device that meets all of the following criteria: (a) is mobile; (b) is assignable to an individual pupil to be used solely by that pupil; and (c) may be used to access the Internet.

Specify that grants could be awarded beginning in the 2017-18 school year and ending in the 2021-22 school year. No funds could be encumbered from the appropriation after June 30, 2022.

16. **High Cost Special Education Aid Program.** Provide $739,000 GPR in 2017-18 and $853,800 GPR in 2018-19 in the appropriation for high cost special education aid. Specify that under the program, school districts could qualify for reimbursement of 90% of eligible prior year costs above $30,000, rather than 70% as under current law. It is estimated that the funding amount would be sufficient to fully fund the modified program.

17. **School Breakfast Program.** Provide an increase of $880,000 GPR annually in the appropriation for school breakfast aids. It is estimated that this funding level would be sufficient to reimburse $0.10 per breakfast served in 2017-18 and 2018-19. (DPI estimates that the current
funding level would provide approximately $0.07 per breakfast in 2017-18 and 2018-19.)

18. **Rural School Teacher Talent Pilot Program.** Provide $500,000 GPR annually in a newly-created annual appropriation for a rural school teacher talent program for grants to cooperative educational service agencies to coordinate with universities and colleges to provide practicums, student-teacher placement, and internships for undergraduate college students in rural school districts. Specify that funding could be used to provide mileage reimbursement and stipends for participating students or costs for CESA coordination and supervision.

**Choice, Charter, and Open Enrollment**

19. **Statewide Private School Choice Program Reestimate (Paper #515).** Adopt the modification, which would increase the appropriation for the statewide private school choice program by $6,170,200 GPR in 2017-18 and $9,523,200 GPR in 2018-19 compared to the bill and increase the associated aid reductions by $5,976,400 in 2017-18 and $11,473,100 in 2018-19, for a net GPR increase of $193,900 in 2017-18 and a net GPR reduction of $1,949,900 in 2018-19.

20. **Statewide Private School Choice Program -- Prior Year Attendance Requirements.** Specify that a pupil could participate in the statewide choice program if he or she applied to attend a private school under the statewide private school choice program in the previous school year but was placed on a waiting list and unable to participate in the program as a result of the school district participation limit. This provision would first apply in the 2018-19 school year.

Under current law, to be eligible for the statewide choice program, a pupil must meet one of the following prior year attendance requirements: (a) was enrolled in a public school in his or her district of residence in the previous school year; (b) was not enrolled in school in the previous school year; (c) was enrolled in a private school under the Racine or statewide private school choice programs in the previous school year; or (d) is enrolling in kindergarten, first grade, or ninth grade in the current year. Under the bill, an additional criterion would be added that would allow a pupil who attended a school in another state in the prior year to participate in the program.

21. **Private School Choice Programs -- Income Eligibility.** Specify that if a pupil attended a private school under the Milwaukee, Racine, or statewide choice programs in the prior school year and applies to attend a private school under another choice program in the immediately following school year, the pupil's family income would not need to be verified. This would have the effect of allowing a pupil participating in the Milwaukee or Racine programs with a family income of greater than 185% of the federal poverty level to participate in the statewide program if the pupil's family moved to another district.

22. **Private School Choice Programs -- Position Authority.** Provide $60,400 GPR and 1.0 GPR position in 2017-18 and $79,600 GPR in 2018-19 to fund an education specialist to administer the Milwaukee, Racine, and statewide private school programs and the independent charter school program.

23. **Special Needs Scholarship Program Payment.** Modify the amount of the per pupil payment for the special needs scholarship program to be based on a cost estimate prepared by the
child's school district and the actual costs incurred by the private school to implement the child's most recent individualized education program (IEP) or services plan, as modified by agreement between the private school and the child's parent, and related services agreed to by the private school and the child's parent that are not included in the child's IEP or services plan.

Provide that at the time of a pupil's initial application for the program, the pupil's resident school board would be required to provide an itemized statement of costs incurred by the district in the previous school year to provide special education or related services to the child. Require the child's parent or guardian, or the child if he or she is 18 years old or older and has not been adjudicated incompetent, to use forms prepared by DPI to notify the pupil's resident school board of the child's intent to participate in the program and request the itemized statement of costs. If the child was not enrolled in the resident school district in the previous year or will enroll in five-year-old kindergarten or first grade in the school year for which an application is submitted, request the school board to prepare and send an itemized estimate of the anticipated costs to provide special education and related services to the child. The parent, guardian, or child would be required to include the itemized statement or itemized estimate with the application submitted to the private school.

Specify that if a child's IEP changes as a result of a reevaluation by the child's IEP team, the resident school board would be required to prepare a new itemized estimate of anticipated costs for the child and submit the estimate to DPI and to the private school attended by the child. Otherwise, the school board would not be required to prepare a new itemized statement or estimate of costs for a pupil who continues to attend the same private school under the program in subsequent years.

Specify in the first year of a child's participation in the program, the per pupil payment would be equal to the itemized statement or itemized estimate prepared by the pupil's resident school district. At the end of a school year for which a private school receives payments for a child with a disability under the program, the private school would be required to submit a financial statement to DPI showing the actual costs incurred by the school to provide special education services to the pupil. The financial statement would be used to determine the payment amount for the following school year, not to exceed the cost statement or estimate prepared by the school district. If the private school's actual costs were less than the itemized statement or estimate prepared by the school district, require DPI to reduce the payment to the private school by the difference in the following year. Specify that DPI's determination of the payment amount would be final.

Specify that each school district's general aid payment would be reduced by an amount equal to the sum of payments made for pupils residing in the district in the current year, less any adjustments from the prior year. As under current law, DPI would be required to make payments to private schools in September, November, February, and May. School districts are able to count such pupils for general aid and revenue limit purposes.

24. Independent Charter School Program Reestimate (Paper #516). Adopt the modification, which would decrease the GPR appropriation for the independent charter school program, as well as the associated aid reductions, by $3,362,000 in 2017-18 and $3,448,800 in 2018-19 compared to the bill, resulting in no change in net GPR expenditures.

25. Independent Charter School Program -- Summer School Funding. Specify that
independent charter school operators would receive payment for summer school pupils in a manner similar to schools in the private school choice programs, beginning with pupils attending summer school in the summer of 2017. Specify that a school would be eligible to receive a summer school payment for a pupil if the school offers a minimum of 19 summer days of instruction and each day of summer instruction is comprised of at least 270 minutes of instruction. Require each independent charter school, by October 1, to file a report with DPI stating its summer daily attendance for each day of summer school. Specify that schools offering summer school would receive an amount equal to 5% of the per pupil payment from the immediately preceding school term if the pupil attends at least 15 days of summer instruction. Require DPI to include the entire summer school payment with the November payment installment, but specify that the summer payment would be made in a separate check.

26. **Open Enrollment Aid Transfer Amount -- Regular Education.** Specify that the aid transfer amount for a non-special education pupil who is not attending a virtual charter school would be set equal to the payment amount under the independent charter school program, beginning in 2018-19. In 2016-17, the payment amount under the independent charter school program is $8,188 while the open enrollment transfer amount is $6,748. Because both amounts are adjusted by the same dollar amount under current law, this provision would increase the open enrollment pupil transfer amount by $1,440. (The aid transfer amount for virtual charter school pupils would remain at the current law amount, as indexed under current law.)

27. **Open Enrollment Aid Transfer Amount -- Special Education.** Delete the current law provisions related to the funding of open enrollment for special education pupils, beginning in 2018-19. Instead, specify that, by the first Friday following the first Monday in May for a pupil in the regular application procedure or immediately for a pupil applying under the alternative procedure, the resident school board must send to the nonresident school board an itemized statement of the costs incurred by the school board in the previous school year to provide special education or related services to the open enrolling pupil. Specify that if the child did not attend school in the resident district in the previous school year, does not have an individualized education program (IEP), or will enroll in five-year-old kindergarten or first grade in the school year for which the open enrollment application was submitted, the resident school board must prepare and send an itemized estimate of the anticipated costs to provide special education and related services to the child.

Specify that, absent a change in the pupil's IEP, a resident school board is not required to prepare a new itemized statement of costs or itemized estimate of anticipated costs for a child who has attended a public school in the nonresident school district, received special education or related services in the nonresident school district, and for whom an itemized statement or estimate has been received by the nonresident school board if the child continues to attend a public school in the same nonresident school district under this section in subsequent years.

Specify that if, following a review, the IEP team for a child with a disability who is attending school in a nonresident school district under open enrollment and is receiving special education or related services makes changes to the IEP for the child, the resident school board would prepare a new itemized estimate of anticipated costs for the child and would submit the itemized estimate to the Department and to the nonresident school board of the nonresident school.
district in which the child attends.

Require the resident school board to pay the nonresident school board, for a special education open enrollment pupil, the amount reported on the itemized statement of costs incurred or the itemized estimate of anticipated costs prepared for that child.

Provide that, at the end of a school year for which the school board of a nonresident school district will receive a payment for a child with a disability under open enrollment, the nonresident school board would submit to the Department a financial statement showing the actual costs incurred by the nonresident school board on behalf of that child in that school year. Require the Department to compare the financial statement submitted by the nonresident school board with the itemized statement or estimate prepared for the child by the resident school board, as modified by the Department if applicable. Provide that if the Department determines that the amount shown on the itemized statement or estimate accurately reflects the actual costs incurred by the nonresident school board to provide special education and related services to the child, no further action would be necessary. Provide that, if the Department determines that the itemized statement of costs or anticipated costs prepared for that child exceeds the actual costs incurred by the nonresident school board to provide special education or related services to the child, the Department would direct the nonresident school board to return to the resident school board the unused portion of the payment received for that child from the resident school board. Provide that, if the Department determines that the amount shown on the itemized statement or estimate is less than the actual costs incurred by the nonresident school board to provide special education and related services to the child in that school year, the Department would make no adjustment to the amount paid to the nonresident school board for that school year but, in the immediately following school year, the Department would substitute the amount incurred by the nonresident school board in the previous school year for the amount shown on the itemized statement of costs or itemized estimate of anticipated costs prepared for the child by the resident school board. Specify that the Department’s determinations would be final.

28. **Choice, Charter, and Open Enrollment Indexing Mechanism (Paper #517).** Adopt Alternatives 2 and 3, which would exclude the appropriations for the special needs scholarship program and independent charter schools authorized by the Office of Educational Opportunity from the indexing mechanism and include the MPS summer school and Milwaukee performance funding appropriations (as well as the other new categoricals created in the motion) in the indexing mechanism.

Under current law, payments for the private school choice, independent charter, and special needs scholarship programs are annually adjusted by the per pupil revenue limit adjustment for the current year, if positive, plus the change in the amount of statewide categorical aid per pupil between the previous year and the current year, if positive. Under the bill, it is estimated that the various payments under these programs would increase by $217 per pupil in both 2017-18 and 2018-19. As a result of the categorical aid modifications in the motion, it is estimated that the payments would increase by $170 in 2017-18 and $227 in 2018-19.

The appropriations for the private school choice, independent charter, and special needs scholarship programs would decrease, in total, by $2,020,500 in 2017-18 and $1,684,000 in 2018-19.
19 under the proposal compared to the bill as reestimated. Under the funding mechanisms for these programs, the associated aid reductions and levy would decrease, in total, by $927,700 in 2017-18 and $788,000 in 2018-19. The net general fund fiscal effect would be decreased expenditures of $1,092,900 in 2017-18 and $896,000 in 2018-19.

29. Early College Credit Program (Paper #518). Adopt Alternatives A2f and C2, which would delay creation of the early college credit program and restoration of the part-time open enrollment program until 2018-19. As a result, delete $1,150,300 GPR from the amount provided under the bill.

Specify that for a pupil attending a UW College under the early college credit program, tuition could not exceed 50% of the amount that would be charged to a resident undergraduate student per credit. For a pupil attending a private college or university, tuition could not exceed one-third of the amount charged to a resident undergraduate student attending UW-Madison per credit.

Require the Board of Regents to establish policies for the appropriate transfer of postsecondary credits earned by high school students enrolled in courses at UW System institutions and at institutions outside the UW System through the early college credit program. If the Board determines that postsecondary credits earned by a high school student through the early college credit program would not be transferable, the Board would be required to permit the student to take an examination to determine the student's competency in the subject area of the course. If the student were to receive a passing score on the examination, the Board would be required to award equivalent credits to the student.

Specify that technical colleges would not be included in the early college credit program. Modify current law governing youth options program so that it would only apply to technical colleges.

Specify that a pupil attending a private school could participate in the program. The requirements that apply to school districts and school boards would also apply to private schools and their governing bodies.

Administrative and Other Funding

30. Eliminate Expiration Dates for Teacher and Administrator Licenses (Paper #530). Adopt Alternative A2, which would modify the Governor's recommendation to include Milwaukee Public Schools and independent charter schools in the requirement to conduct background investigations of educators and administrators at least once every five years. However, rather than transferring this responsibility to school districts, require DPI to conduct the background checks on behalf of MPS, independent charter schools, and other school districts.

Additionally, adopt Alternative B2, which would modify the funding and position authority in the bill by 5.0 FTE and $359,700 PR in 2017-18 and $610,600 PR in 2018-19 to reflect DPI estimates of workload reductions under the proposal.

Also adopt Alternative A3, which would specify that provisional three-year licenses would be granted for new educators, administrators, and pupil services professionals. A lifetime license
could only be granted after the completion of six semesters of successful experience, as certified by a school board. Specify that the license would remain valid unless the individual was not actively employed by a school district for five or more consecutive years. After five years of inactivity, the individual would be required to obtain a provisional three-year license and complete six semesters of successful experience before receiving another lifetime license.

Specify that all provisions applying to teaching and administrator licenses under the bill would also apply to pupil services professionals. Those positions include school counselors, psychologists, social workers, and nurses.

31. **Public Library System Aid (Paper #531)**. Adopt Alternatives A3 and B2, which would maintain current base level funding, equal to $15,013,100 SEG annually, and current law relating to agency request requirements for public library systems. In previous action, the Committee provided $500,000 SEG in 2017-18 and $1,000,000 SEG in 2018-19 of one-time funding for public library system aid, which would not be affected by this provision.

32. **Teacher Licensure Rulemaking Process**. Require DPI to submit a rule to the Legislature by January 1, 2018, revising PI 34, which contains provisions related to teacher licensure. Specify that the rule must maintain a high standard of quality for teachers and simplify the licensure system as much as practicable, including the following: (a) simplify the grade levels licensees can teach and adopt broadfield subject licenses; (b) enable school districts to increase the number of teachers by offering internships and residency opportunities; (c) simplify out-of-state licensure reciprocity; and (d) expand pathways for existing licensees to fill high needs or shortage areas. Require the State Superintendent, by rule, to create a permit that allows a person enrolled in an educator preparation program to work in a school district as part of an internship, residency program, or equivalent program.

33. **Substitute License for Individual With Associate's Degree**. Require the State Superintendent to grant a substitute teacher permit to an individual with a two year degree or its equivalent and substitute teacher training.

34. **Online Teacher Reciprocity**. Specify that an individual who is located in another state but teaches an online course through a virtual charter school or public school district located in Wisconsin, and who holds a license or permit to teach that subject and level in the state in which he or she is located, would be appropriately licensed to teach that subject and level in Wisconsin.

35. **Junior Reserve Officer's Training Corps Teaching License**. Require DPI to grant a license to an individual to provide instruction to pupils enrolled in a Junior Reserve Officer Training Corps (JROTC) program offered in the high school grades if the individual satisfies the following criteria: (a) possesses a bachelor's degree; (b) successfully completed a JROTC instructor certification program; and (c) fulfills current law requirements related to background checks for educators. Specify that such a license would authorize an individual to teach the courses for which the individual has successfully completed the JROTC instructor certification process.

36. **School and School District Accountability Reports**. Require the school and school
district accountability reports published annually by DPI to include the following information for school districts and for each high school in the district: (a) the number and percentage of pupils participating in the early college credit program; (b) the number and percentage of pupils participating in a youth apprenticeship; (c) the number of community service hours provided by pupils; (d) the number of advanced placement courses offered and the number of advanced placement credits earned by pupils; and (e) the number of pupils earning industry-recognized credentials through a technical education program established by a school board.

37. **Civics Assessment Requirement for High School Graduation.** Increase the score that an individual must achieve on a civics assessment in order to graduate from high school to 80 points. Under current law, a school board, independent charter school operator, and private choice school cannot grant a high school diploma and the State Superintendent cannot grant a declaration of equivalency of high school graduation to an individual unless he or she achieves a score of 60 points out of 100 on the assessment.

The attachment shows the state fiscal effect of this proposal relative to AB 64/SB 30, as well as the estimated effect it would have on the net school levy.

We hope this information is helpful. Please contact us if you have additional questions.

RK/CP/sas
Attachment
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<td>Sparsity Aid</td>
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<td>Mental Health and Bullying</td>
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<td>12</td>
<td>Shared Services Program</td>
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<td>13</td>
<td>Whole Grade Sharing</td>
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<td>Consolidation Aid</td>
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<td>15</td>
<td>Personal Electronic Computing</td>
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<td>16</td>
<td>High Cost Special Education</td>
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<td>17</td>
<td>School Breakfast Program</td>
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<td>Rural School Teacher Talent</td>
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<td>19</td>
<td>Statewide Private School Choice</td>
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<td>Private School Choice Program</td>
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<td>11,473,100</td>
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<td>Independent Charter Schools</td>
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<td>28</td>
<td>Choice/Charter Indexing</td>
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<td>-1,684,000</td>
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<td>Early College Credit Program</td>
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<td>30</td>
<td>Teacher License Expiration Dates</td>
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|                                      |                    | 2017-18             | 2018-19                  |
|                                      |                    | $21,026,900         | $39,449,000              |
|                                      |                    | 1,686,700           | 7,236,300                |
|                                      |                    | -22,713,600         | -46,685,300              |
| 1.00                                  | 1.00                | PR                  | PR                       |
| 5.00                                  | 5.00                | PR Positions        | PR Positions             |

$16,686,700  $29,436,300