



## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873  
Email: [fiscal.bureau@legis.wisconsin.gov](mailto:fiscal.bureau@legis.wisconsin.gov) • Website: <http://legis.wisconsin.gov/lfb>

February 18, 2022

TO: Members  
Wisconsin Legislature

FROM: Bob Lang, Director

SUBJECT: Summary of Provisions of SB 956/AB 1013 and March 2022 Special Session Bills

On January 25, the Legislative Fiscal Bureau completed its review of the state's general fund for the 2021-23 biennium and presented its findings to the Legislature. The analysis included an examination of economic forecasts and tax collection and expenditure data for the biennium. The Bureau's report projected a net general fund balance of \$3.8 billion at the end of the current biennium (June 30, 2023).

In response to the projected balance, the Governor announced that he had prepared legislation related to the use of some of the estimated surplus. That legislation has been introduced as Senate Bill 953 and Assembly Bill 1013. In addition, the Governor has called for a March 2022 Special Session to address the legislation. The Special Session bills, LRB-6095 and LRB-6096, are identical to SB 956 and AB 1013 and referred to as "the bill" in this document.

The attached document, prepared by this office, summarizes each of the provisions of the bill. In total, the bill would use \$1.7 billion of the projected surplus to reduce taxes and increase appropriations. A list of the fiscal effect of the items of the bill is shown below. With the exception of \$506,400 appropriated to the Department of Revenue in 2021-22 to administer the individual income tax rebates, all fiscal effects of the bill apply to 2022-23.

Individual Income Tax Reductions	\$131,800,000
Tax Rebate	816,164,200
Public Instruction (net GPR)	610,911,600
University of Wisconsin System	111,000,000
Wisconsin Technical College System	<u>28,000,000</u>
Total General Fund Effect	\$1,697,875,800

Following is a projected 2021-23 general fund condition statement as affected by the bill. The table is based on the Fiscal Bureau's January 25, 2022, projections, modified to include the effects of the bill.

**2021-23 General Fund Condition Statement  
(as Modified by SB 956/AB 1013 and LRB 6095/6096)**

	<u>2021-22</u>	<u>2022-23</u>
<b>Revenues</b>		
Opening Balance, July 1	\$2,581,053,000	\$2,837,560,300
Taxes	18,943,300,000	20,752,800,000
Departmental Revenues		
Tribal Gaming Revenues	0	21,729,300
Other	<u>481,661,900</u>	<u>486,219,400</u>
Total Available	\$22,006,014,900	\$24,098,309,000
 <b>Appropriations, Transfers, and Reserves</b>		
Gross Appropriations	\$19,306,918,900	\$21,336,080,400
MA Biennial Adjustment	-360,000,000	360,000,000
Sum Sufficient Reestimates	-15,734,000	-28,898,000
Transfers to:		
Transportation Fund	178,869,600	97,289,300
Building Trust Fund	15,000,000	0
MA Trust Fund	174,665,900	527,783,700
UI Trust Fund	60,000,000	60,000,000
Compensation Reserves	41,929,200	105,951,600
Less Lapses	<u>-233,195,000</u>	<u>-569,349,700</u>
Net Appropriations	\$19,168,454,600	\$21,888,857,300
 <b>Balances</b>		
Gross Balance	\$2,837,560,300	\$2,209,451,700
Less Required Statutory Balance	<u>-90,000,000</u>	<u>-95,000,000</u>
Net Balance, June 30	\$2,747,560,300	\$2,114,451,700

BL/ml  
Attachment

# Summary of Provisions

## GENERAL FUND TAXES

### 1. TAX REBATE

GPR	\$816,164,200
-----	---------------

Provide that a full-year Wisconsin resident who files a Wisconsin individual income tax return for tax year 2021 on or before the unextended due date (April 18, 2022) shall receive a tax rebate equal to \$150 multiplied by the number of personal exemptions the individual claims on their return. Specify that a part-year resident who files a state income tax return for tax year 2021 on or before the unextended due date may receive the rebate if the individual was domiciled in this state on December 31, 2021. Specify that nonresident individuals are not eligible to receive the rebate. Define: (a) full-year resident to mean an individual who was a resident of this state for the entire year of 2021; (b) part-year resident to mean an individual who was a resident of this state for some part of 2021; and (c) nonresident to mean an individual who was not a resident of this state for any part of 2021. Create a sum sufficient GPR appropriation to make all approved rebate payments.

Full-year resident and part-year resident individuals who have not filed a Wisconsin income tax return for tax year 2021 on or before the unextended due date because they anticipate filing, or have filed, for an extension, or because they do not anticipate filing such a return, may still receive a rebate equal to \$150 multiplied by the number of personal exemptions they could have claimed on their tax year 2021 state income tax return. Direct the Department of Revenue (DOR) to establish a portal on its Internet site for such a claimant to file a rebate claim, and direct DOR to establish a claim period ending July 15, 2022, for claimants filing such a claim. Stipulate that the claimant must be a resident of or be domiciled in this state on December 31, 2021, and must maintain residency in this state at the time they file the rebate claim.

Direct DOR to approve each rebate and certify the allowable amount of the rebate to the Department of Administration (DOA) for payment to the claimant from the sum sufficient appropriation. Increase funding in DOR's general program operations appropriation in 2021-22 by \$506,400 for the purpose of administering the rebate program.

Direct DOA to begin making rebate payments on July 15, 2022. Specify that DOR must establish procedures for claimants who do not receive a rebate (for which they were otherwise eligible) to file a claim for the rebate by December 31, 2022. Prohibit an individual from making a claim for a rebate after December 31, 2022.

Provide that, if an individual becomes deceased after they have filed their claim for a rebate, the amount of the rebate for which they are eligible is to be paid to the individual's estate. Direct the Department of Health Services (DHS) to supply DOR, without charge, the necessary vital records information to carry out this provision.

Notwithstanding any other provision of state law that relates to determining, based on an individual's personal income or assets, that individual's eligibility for a state-funded grant, loan, monetary assistance, or other benefit, provide that a state agency may not consider receipt of a one-time rebate to be income or an asset of the individual. Specify that this provision is to be broadly construed so as to avoid determinations of ineligibility for a state-funded grant, loan, monetary assistance, or other benefit.

Require DHS, by July 1, 2022, to request a federal Medicaid waiver pertaining to home and community services, and to amend the state Medicaid plan, to authorize the Department, in determining eligibility for medical assistance, to disregard the amount an individual receives from the one-time tax rebate established under the bill.

To the extent permitted under federal law, specify that a state agency must disregard receipt by an individual of a one-time rebate in determining the individual's eligibility for a federally-funded grant, loan, monetary assistance, or other benefit, or in determining the amount or extent of that grant, loan, monetary assistance, or other benefit.

Stipulate that current law provisions governing: (a) the application of refunds against outstanding tax or other liabilities; and (b) income and franchise taxes relating to the general enforcement authority of DOR, and to assessments, refunds, appeals, collection, interest, and penalties, also apply to this rebate.

Estimate increased GPR expenditures of \$506,400 in 2021-22 and \$815,657,800 in 2022-23.

[Bill Sections: 16, 84(1), and 85(1)]

**2. INCREASE INDIVIDUAL INCOME TAX CREDIT FOR CHILD AND DEPENDENT CARE EXPENSES** GPR-Tax - \$29,300,000

Beginning in tax year 2022, increase the nonrefundable credit for child and dependent care expenses from 50% to 100% of the corresponding federal credit claimed on the claimant's federal income tax return in the same tax year. Reduce estimated individual income tax collections relative to current law by \$29,300,000 annually, beginning in 2022-23.

[Bill Sections: 18 and 87]

**3. FAMILY CAREGIVER TAX CREDIT** GPR-Tax - \$102,500,000

Beginning in tax year 2022, create a nonrefundable individual income tax credit for 50% of the qualified expenses incurred by a family caregiver to benefit a qualified family member. Specify that a qualified family member would mean an individual who: (a) is 18 years of age or older during the relevant tax year; (b) requires assistance with one or more daily living activities, as certified in writing by a physician (defined as an individual who specializes in family practice, general internal medicine, general pediatrics, obstetrics and gynecology, or psychiatry); and (c) is the claimant's family member (defined as a spouse or an individual related by blood, marriage, or adoption within

the 3rd degree of kinship).

Define qualified expenses to mean amounts paid by a claimant in the relevant tax year for items that relate directly to the care or support of a qualified family member, including: (a) the improvement or alteration of the claimant's primary residence to enable or assist the qualified family member to be mobile, safe, or independent; (b) the purchase or lease of equipment to enable or assist the qualified family member to carry out one or more activities of daily living; and (c) the acquisition of goods or services, or support, to assist the claimant in caring for the qualified family member, including employing a home care aide or personal care attendant, adult day care, specialized transportation, legal or financial services, or assistive care technology. However, specify that qualified expenses do not include: (1) general food, clothing, or transportation expenses; (2) ordinary household maintenance or repair expenses that are not directly related to, or necessary for, the care of the qualified family member; or (3) any amount that is paid or reimbursed by insurance or other means.

Specify that the maximum credit that may be claimed in each tax year with regard to a particular qualified family member is \$500 (\$250 for married-separate filers). Provide that, if more than one individual may claim the family caregiver credit for a particular qualified family member, the maximum credit would have to be apportioned among all eligible claimants based on the ratio of their qualified expenses to the total amount of qualified expenses incurred on behalf of that particular qualified family member, as determined by DOR.

Stipulate that no credit would be allowed for married-joint claimants with federal adjusted gross income (AGI) above \$170,000, and that no credit would be allowed for all other filers with federal AGI above \$85,000. Provide that, for married-joint claimants with federal AGI above \$150,000, the credit amount for which they would otherwise be eligible would be reduced by the ratio of the amount by which their federal AGI exceeds \$150,000 divided by \$20,000. Specify that, for all other filers with federal AGI greater than \$75,000, the credit amount for which they would otherwise be eligible would be reduced by the ratio of the amount by which their federal AGI exceeds \$75,000 divided by \$10,000. The resulting credit amount computed would be subject to the \$500 limit (\$250 for married-separate filers).

Specify that no family caregiver tax credit would be allowed unless it were claimed within four years of the unextended due date of the income tax return to which the claim relates. Prohibit nonresidents and part-year residents of Wisconsin from claiming the credit. Direct that no credit would be allowed for a tax year covering a period of less than 12 months, except for a tax year that was closed because of the death of the taxpayer. Specify that current law provisions which apply to the individual income tax relating to DOR's enforcement authority, and to assessments, refunds, appeals, collection, interest, and penalties, would also apply to this credit. Reduce individual income tax collections by an estimated \$102,500,000 in 2022-23 and annually thereafter.

[Bill Sections: 17, 19, and 87(1)]

## PUBLIC INSTRUCTION

### 1. GENERAL SCHOOL AID FUNDING INCREASE

GPR	\$188,000,000
-----	---------------

Provide \$188,000,000 in 2022-23 for general school aids. In the 2021-23 budget act, \$5,201,590,000 is provided in the general school aids appropriation in 2022-23.

[Bill Section: 85(5)]

### 2. REVENUE LIMIT PER PUPIL ADJUSTMENT

Set the per pupil adjustment under revenue limits at \$200 in 2022-23.

Under revenue limits, the amount of revenue a school district can raise from general school aids, property taxes, and exempt property aids is restricted. A district's base revenue in a given year is equal to the restricted revenues received in the prior school year. Base revenue is divided by the average of the district's enrollments in the prior three years to determine its base revenue per pupil. Under current law, no per pupil adjustment will be made in 2022-23 and in each year thereafter. Current year revenue per pupil is then multiplied by the average of the district's enrollments in the current and prior two years to determine the district's initial revenue limit. Under the bill, there would continue to be no per pupil adjustment in 2023-24 and each year thereafter.

[Bill Sections: 67 thru 83]

### 3. SPECIAL EDUCATION

GPR	\$172,643,000
-----	---------------

Provide \$172,643,000 in 2022-23 for special education categorical aid. It is estimated that this funding would increase the proration rate to 40% in 2022-23. Funding under current law is equal to \$571,890,000 in 2022-23, which DPI estimates will reimburse approximately 30% of eligible costs in that year.

[Bill Section: 85(2)]

### 4. HIGH-COST SPECIAL EDUCATION AID

GPR	\$5,719,500
-----	-------------

Provide \$5,719,500 in 2022-23 for high-cost special education aid. It is estimated that this funding would increase the proration rate to 60%. Funding under current law is equal to \$11,439,200 in 2022-23, which DPI estimates will reimburse approximately 40% of eligible costs in 2022-23.

Under current law, applicants are eligible for high-cost aid for 90% of non-administrative costs above \$30,000 for an individual pupil in the previous school year, if the costs were not reimbursed by state special education categorical aid, federal Individual with Disabilities Education Act (IDEA), or the federal Medicaid program. If funding is insufficient, payments are prorated.

[Bill Section: 85(10)]

**5. SPECIAL EDUCATION TRANSITION READINESS GRANT**

GPR	\$1,500,000
-----	-------------

Provide \$1,500,000 in 2022-23 above current law funding of \$1,500,000 for competitive grants for special education workforce transition support services.

Under current law, school districts and independent charter schools are eligible for grants of \$25,000 to \$100,000 for the following expenses: (a) transportation for pupils to work-based learning experiences; (b) professional development for instructors related to special education transitions; and (c) school staff to help pupils with disabilities transition into the workforce.

[Bill Section: 85(9)]

**6. PER PUPIL AID**

GPR	\$103,745,500
-----	---------------

Provide \$103,745,500 in 2022-23 and set the per pupil aid payment amount at \$870 per pupil in 2022-23 and each year thereafter. This would be an increase of \$128 per pupil in 2022-23 compared to current law.

Each school district receives a statutorily-specified, flat per pupil aid payment, outside of revenue limits, from the sum sufficient appropriation for per pupil aid. Under current law this payment is \$742 per pupil in 2022-23 and each year thereafter. A district's current three-year rolling average pupil count under revenue limits is used to calculate the aid payment.

[Bill Section: 33]

**7. SCHOOL MENTAL HEALTH AID**

GPR	\$18,000,000
-----	--------------

Provide \$18,000,000 in 2022-23 above current law funding of \$12,000,000 for aid for school mental health programs.

Modify current law to include expenditures for any pupil services professional, rather than only social workers as under current law. Define pupil services professional as a school counselor, school social worker, school psychologist, or school nurse. Modify the program to specify that beginning in the 2022-23 school year, school districts, independent charter schools, and private schools participating in one of the private school choice programs would be eligible for reimbursement of any expenditures made to employ, hire, or retain pupil services professionals, rather than only 50% of the increase in expenditures to employ, hire, or retain school social workers. Specify that if funding in the appropriation is insufficient to pay the full amount of aid, payments would be prorated among the school districts, independent charter schools, and private schools that are eligible for aid.

Modify the name of the appropriation to be mental health programs and pupil wellness aid, rather than aid for school mental health programs as under current law. Exclude the program from the indexing provision used to determine the per pupil payment increase for independent charter schools, private choice schools, and open enrollment pupils.

Under current law, the program reimburses eligible districts and schools for expenditures on social worker services as follows: (a) 50% reimbursement of the increase in expenditures for school social worker services from one year to the next; and (b) a proportion of unreimbursed expenditures for social workers, based on the amount remaining in the appropriation after payments are made under (a). Eligible districts and schools are defined as school districts, independent charter schools, and private schools participating in a choice program that increased their expenditures on social workers from one year to the next.

[Bill Sections: 7, 26 thru 32, 63, and 85(8)]

## **8. BILINGUAL BICULTURAL AID**

GPR	\$18,287,200
-----	--------------

Provide an increase of \$18,287,200 in 2022-23 for aid for bilingual-bicultural programs. Under current law, funding for the program is equal to \$8,589,800 in 2022-23.

Modify the program to allow independent charter schools to qualify for aid, beginning in the 2022-23 school year. Additionally, establish that aid would be paid to an eligible school district or independent charter school in the following amounts, beginning in the 2022-23 school year: (a) \$10,000, if there was at least one limited-English proficient (LEP) pupil enrolled in the school district or attending the charter school in the previous school year; (b) an additional \$500 for each LEP pupil over 20 pupils enrolled in the school district or attending the charter school in the previous school year. Require DPI to prorate payments if the amount in the appropriation is insufficient to fully fund payments under the program. Delete current law specifying the number of LEP pupils required for a school board to be eligible for aid, effective for the 2022-23 school year.

Specify that the current law payment determination would apply in the 2021-22 school year. Create a hold-harmless that would apply to a school board that received a payment in the 2021-22 school year. Under the hold-harmless, in the 2022-23 school year, the board would receive an amount equal to the greater of the following: (a) the amount calculated under the new methodology as described above; or (b) the amount received by the board in 2021-22. In the 2023-24 school year, the school board would receive the greater of the following: (a) the amount calculated using the new methodology; or (b) the amount under (a) plus 50% of the difference between that amount and the amount received by the board in 2021-22.

Specify that a school board that would be required to establish a bilingual-bicultural education program is eligible for state aid only if the State Superintendent is satisfied that the school board maintained the bilingual-bicultural education program in accordance with the requirements in the statutes. Require that school districts include a summary of the costs incurred to operate the bilingual-bicultural program in the previous school year and the estimated budget for the program in the current school year in the annual report each school district operating a bilingual-bicultural education program is required to submit to the State Superintendent.

Require school boards and independent charter school operators to report to the State Superintendent the number of LEP pupils enrolled in the district or school in the previous school year and the classification of those pupils by language group annually, on or before August 15. Specify that current law requiring school districts to conduct a count of LEP pupils, assess their



language proficiency, and classify the pupils by language group, grade level, age, and English language proficiency annually on or before March 1 would also apply to independent charter schools, and specify that a school board or independent charter school operator would only be eligible for aid if this count is conducted. Specify that a school board or independent charter school operator would be eligible for aid only if it submits the reports required under state law.

In the current annual report submitted by the State Superintendent to the Legislature, require that DPI report the number of LEP pupils in each language group enrolled in each school district and attending each independent charter school, and delete current law requiring that the Department include the per-pupil cost of the bilingual-bicultural education program for each school district, language group, and program type. Specify in statute that it is the policy of this state to provide support to school districts and independent charter schools for the added costs of educating LEP pupils.

Modify the name of the appropriation to be English learner categorical aid, rather than bilingual-bicultural education aids as under current law.

Under current law, school districts are required to establish a bilingual program if, within a language group at a given school, there are 10 or more LEP pupils in kindergarten to grade three, or 20 or more LEP pupils in grades four to eight or grades nine to 12. Aid is provided to districts to reimburse eligible costs related to providing services for English learners. Districts in which English learners comprise 15% or more of total enrollment are eligible for additional aid from a \$250,000 set-aside, which is divided proportionately among eligible districts based on their costs. In 2019-20, the reimbursement rate under the program was approximately 8.1%.

[Bill Sections: 2, 43 thru 44, 46 thru 62, 85(7), and 86(1)]

**9. CAPACITY BUILDING GRANTS FOR BILINGUAL EDUCATORS**

GPR	\$750,000
-----	-----------

Provide \$750,000 in 2022-23 for a new grant program to provide funding for a school board or independent charter school operator to provide support and financial assistance to its staff and teachers in obtaining licensure or certification as bilingual teachers and teachers of English as a second language. School boards or independent charter school operators could apply for a grant, and DPI could award grants from the appropriation beginning in the 2022-23 school year in an amount determined by the Department. Specify that DPI could promulgate rules to implement and administer the program.

[Bill Sections: 4 and 45]

**10. OUT-OF-SCHOOL-TIME PROGRAM GRANTS**

GPR	\$20,000,000
-----	--------------

Provide \$20,000,000 in 2022-23 in a continuing appropriation for a new grant program to support high-quality after-school programs and other out-of-school-time programs that provide services to school-age children. Require DPI to award grants to school boards and organizations beginning in the 2022-23 school year. Require DPI to award grants of between \$80,000 and

\$145,000, and specify that grants could continue for up to five school years. In each school year, require DPI to award not less than 30% of all grant moneys to out-of-school-time programs that serve pupils in the elementary grades. Provide that DPI could promulgate rules to implement and administer the program.

[Bill Sections: 12, 39, and 64]

**11. GRANTS FOR LEAD TESTING AND REMEDIATION IN SCHOOLS**

GPR	\$20,000,000
-----	--------------

Provide \$20,000,000 in 2022-23 to award grants to school districts and independent charter schools for lead testing and remediation in school buildings and on school grounds using a competitive grant process. Specify that grant moneys may only be used for costs associated with testing drinking water for the presence of lead, providing safe drinking water to affected school buildings during remediation, and, if necessary, replacing lead pipe water service lines to affected school buildings. Specify that DPI could promulgate rules to establish and administer the program.

[Bill Sections: 15, 41 and 64]

**12. WATER BOTTLE FILLING STATIONS**

GPR	\$250,000
-----	-----------

Provide \$250,000 in 2022-23 to award grants to school districts to purchase water bottle filling stations that provide filtered drinking water. Specify that DPI could promulgate rules to establish and administer the program.

[Bill Sections: 3 and 21]

**13. AID FOR READING SERVICES PROFESSIONALS**

GPR	\$20,000,000
-----	--------------

Provide \$20,000,000 in 2022-23 for aid to reimburse school districts, independent charter schools, and private schools participating in a private school choice program for an amount equal to expenditures made to employ, hire, or retain reading teachers and reading specialists. If funding is insufficient, payments would be prorated. Specify that DPI could promulgate rules to establish and administer the program.

Exclude the program from the indexing provision used to determine the per pupil payment increase for independent charter schools, private choice schools, and open enrollment pupils.

[Bill Sections: 8, 25, 63, and 64]

**14. SCHOOL BREAKFAST PROGRAMS**

GPR	\$2,559,500
-----	-------------

Provide \$2,559,500 in 2022-23 over current law funding of \$2,510,500 in 2022-23 for the school breakfast program. Under the program, participating agencies are eligible for reimbursements of 15.0 cents per meal served if the funding is available. It is estimated that payments were prorated

at approximately 7.9 cents per meal served in 2020-21. The additional funding would increase the state reimbursement rate to an estimated 15.0 cents per meal served.

Additionally, modify statutory language to allow independent charter schools, the state's Educational Services Program for the Deaf and Hard of Hearing and Center for the Blind and Visually Impaired, and residential care centers to be eligible for reimbursement. Specify that schools that ceased operations during the prior school year are not eligible for reimbursement for any breakfasts served during that year.

[Bill Sections: 22 thru 23 and 85(6)]

**15. SUPPLEMENTAL NUTRITION AID**

GPR	\$2,432,000
-----	-------------

Create a new sum sufficient appropriation for reimbursing educational agencies for the cost of reduced-cost meals, so that those meals would be provided at no cost to eligible pupils, defined as pupils who meet the eligibility criteria for a reduced-price lunch.

Under the program, an educational agency would be eligible to receive an annual payment beginning in the 2022-23 school year equal to the sum of the following: (a) the number of school lunches provided to pupils eligible for a reduced-price lunch multiplied by the difference between the reimbursement amount for a reduced-price lunch and a free lunch in the previous school year; (b) the number of school breakfasts provided to pupils eligible for a reduced-price breakfast multiplied by the difference between the reimbursement amount for a reduced-price breakfast and a free breakfast in the previous school year; and (c) the number of meal supplements provided to pupils eligible for a reduced-price meal supplement multiplied by the difference between the reimbursement amount for a reduced-price meal supplement and a free meal supplement in the previous school year. An educational agency would be defined as a school board, an operator of an independent charter school, a private school, a tribal school, an operator of a residential care center for children and youth, and the state's Educational Services Program for the Deaf and Hard of Hearing and Center for the Blind and Visually Impaired. To be eligible for reimbursement, the educational agency could not charge eligible pupils for school meals.

It is estimated that funding of \$2,432,000 would be required beginning in 2022-23.

[Bill Sections: 5 and 24]

**16. DRIVER EDUCATION AID**

GPR	\$3,000,000
-----	-------------

Provide \$3,000,000 beginning in 2022-23 in a new appropriation for driver education aid. Define a driver education program as an instructional program in driver education approved by DPI and operated by a driver school or a qualified driver education provider, which would include school boards, operators of an independent charter school, and cooperative educational service agencies. Specify that eligible pupils would be pupils who qualified for free or reduced-price lunch in the federal school lunch program in the previous school year. Provide that in order to receive grants, qualified driver education providers would have to: (a) demonstrate to DPI that the provider reduced

the fees it would otherwise charge for eligible pupils to enroll in and complete the driver education program; and (b) by October 1, 2022, and annually thereafter, report the number of eligible pupils who enrolled in and successfully completed its driver education program in the previous school year.

Require DPI to calculate the amount paid to each qualified driver education provider by multiplying the number of eligible pupils reported as having successfully completed a program in the previous school year by the lesser of \$200 or the amount by which the driver education provider reduced fees in the previous school year. Provide that DPI could promulgate rules to implement and administer this program. If funding is insufficient, payments are prorated.

Modify current law that authorizes school districts and technical college districts to charge reasonable fees for any driver education program or part of a program which is neither required for graduation nor credited toward graduation to also authorize operators of independent charter schools and cooperative educational service agencies to charge such fees

[Bill Sections: 6 and 65 thru 66]

**17. COMPUTER SCIENCE LICENSURE GRANT PROGRAM**

GPR	\$750,000
-----	-----------

Provide \$750,000 in 2022-23 for a new program to award grants to school districts to provide assistance to eligible employees for the purpose of obtaining a license or permit that authorizes the eligible employee to teach computer science. An eligible employee would be defined as a school district employee who holds a license or permit to teach issued by DPI that does not authorize the employee to teach computer science.

Require DPI to give priority to applications submitted by a district that meets either of the following criteria: (a) at least 50% of the school district's membership is eligible for a free or reduced-price lunch; or (b) at least 40% of the school district's membership identifies as a minority group pupil according to a definition under current law that includes pupils who are black or African American, Hispanic, American Indian, an Alaskan native, or a person of Asian or Pacific Island origin, and who has reached the age of four on or before September 1 of the year he or she enters school.

Specify that DPI could promulgate rules to establish and administer the program.

[Bill Sections: 14, 40, and 64]

**18. GRANTS FOR EARLY CHILDHOOD EDUCATION PROGRAMS IN URBAN SCHOOL DISTRICTS**

GPR	\$5,000,000
-----	-------------

Provide \$5,000,000 in 2022-23 for grants to urban school districts that provide, or would implement, an early childhood education program to enhance learning opportunities for young children residing in the urban school district and to prepare these children for entry into the elementary grades.

Require DPI to award grants in the amount of \$1,000 per eligible child who attends an urban

school district's early childhood education program in the current school year. Specify that the district would be required to report to DPI the number of eligible children attending the early childhood program on the 3<sup>rd</sup> Friday of September, in the current school year, and the amount would be determined based on attendance on that date. Require that a district receiving a grant under the program use the funds to develop, implement, and administer a new or expanded program, and ensure that its program meets the licensing requirements for child care centers established by DCF, including staff to child ratios. If funding is insufficient, payments would be prorated. If, after DPI makes payments to urban school districts, moneys remain for the fiscal year, DPI may distribute the balance of funds remaining to any of those urban school districts in amounts determined by DPI.

An eligible child would be defined as a child who resides in the urban school district and who is either three years old on or before September 1 of the relevant school year or is less than three years old but eligible to attend the early childhood education program under the school district's early admission standards. An urban school district would be defined as a school district that, in the previous school year, had a membership of at least 18,000 pupils (for 2021-22, the following districts have membership of at least 18,000: Green Bay, Kenosha, Madison, Milwaukee, and Racine).

[Bill Sections: 13, 34, and 64]

**19. SUMMER SCHOOL GRANTS TO URBAN SCHOOL DISTRICTS**

GPR	\$3,600,000
-----	-------------

**Governor:** Provide \$3,600,000 above current law funding of \$1,400,000 in 2022-23 to provide grants to urban school districts for developing, redesigning, or implementing a summer school program. An urban school district would be defined as a school district that, in the previous school year, had a membership of at least 18,000 pupils.

Require DPI to annually allocate \$2,000,000 to a first class city school district (currently only Milwaukee Public Schools) and to allocate the remaining amount equally to the other urban school districts.

Modify the name of the appropriation to be summer school grants; urban school districts, rather than summer school programs; grants as under current law.

Under current law, DPI must award a summer school grant to a first class city school district. This bill expands the summer school grant program to include additional urban school districts, beginning in the 2022-23 school year.

[Bill Sections: 11, 35 thru 38, 64, 85(11), and 86(2)]

**20. GRANTS TO SUPPORT PRINCIPALS IN URBAN SCHOOL DISTRICTS**

GPR	\$250,000
-----	-----------

Provide \$250,000 in 2022-23 to provide grants to a nonprofit organization or an urban school district for the purpose of providing training, coaching, and professional support to principals who work in urban school districts. An urban school district would be defined as a school district that, in

the previous school year, had a membership of at least 18,000 pupils.

[Bill Sections: 10 and 20]

**21. COMMUNITY ENGAGEMENT GRANTS TO URBAN SCHOOL DISTRICTS**

GPR	\$1,000,000
-----	-------------

Provide \$1,000,000 in 2022-23 for grants to urban school districts for the purpose of supporting projects that include collaboration with a nonprofit corporation, a cooperative educational service agency, a UW System institution, a technical college district board, or a local unit of government; that are intended to improve academic achievement, the well-being of pupils and their families, or relationships between pupils, school staff, and the community; and that make additional resources or services available to pupils and their families. An urban school district would be defined as a school district that, in the previous school year, had a membership of at least 18,000 pupils. The amount granted to each district would be the total amount appropriated divided by the total amount of urban districts.

Specify that DPI could promulgate rules to establish and administer the program.

[Bill Sections: 9, 42, and 64]

**22. CHOICE, CHARTER, AND OPEN ENROLLMENT PAYMENTS**

GPR	\$39,912,400
GPR Effect of Aid	
Reductions	- 16,487,500
Net GPR	\$23,424,900

Specify that, for the purposes of the choice and charter payment indexing mechanism, the current law appropriation for aid to school mental health programs and the proposed appropriation in the bill for aid for reading service professionals would be excluded from the total categorical aid calculation.

Under current law, the various per pupil payment amounts under the choice, charter, and open enrollment programs are equal to the sum of the payment amount for the program in the previous year plus the per pupil revenue limit adjustment for the current year, if positive, plus the statewide change in funding per pupil for statutorily-specified categorical school aid appropriations between the previous year and the current year, if positive.

Under current law, it is estimated that the various per pupil payments will increase by \$63 per pupil in 2022-23 compared to the prior year under the funding amounts in the 2021-23 biennial budget act. The administration estimates that the payments would increase by an additional \$642 per pupil in 2022-23 compared to current law based on the revenue limit adjustment and increases in categorical aids in the bill, for a total increase of \$705 per pupil compared to the prior year. The table below shows the effect of this increase on payments for each of the programs.

**2022-23 Per Pupil Payments Under Current Law and the Bill**

	<u>Current Law</u>	<u>Bill</u>
Choice (K-8)	\$8,399	\$9,041
Choice (9-12)	9,045	9,687
Special Needs Scholarship	13,076	13,718
Independent Charter	9,264	9,906
Open Enrollment	8,224	8,866
Open Enrollment (Special Ed)	13,076	13,718

The administration estimates that the GPR cost of payments for the private school choice, special needs scholarship, and independent charter school programs would increase, in total, by \$39,912,400 in 2022-23 as a result of the increased payments. The various current law aid reductions associated with these programs in 2022-23 would increase by an estimated \$16,487,500, resulting in an estimated increase in net GPR expenditures of \$23,424,900.

[Bill Section: 63]

**UNIVERSITY OF WISCONSIN SYSTEM**

**1. UW SYSTEM GENERAL PROGRAM OPERATIONS**

GPR	\$111,000,000
-----	---------------

Provide \$111,000,000 in 2022-23 for UW System operations in the UW System's largest GPR appropriation for general program operations.

[Bill Section: 85(3)]

**WISCONSIN TECHNICAL COLLEGE SYSTEM**

**1. GENERAL AID**

GPR	\$28,000,000
-----	--------------

Provide an increase of \$28,000,000 in 2022-23 in the appropriation for state general aid for technical colleges. This additional funding would be allocated under current law that specifies that 70% of the funding in the appropriation is distributed under the partially equalizing general aid formula and 30% is distributed under the formula established for outcomes-based funding. Under current law, funding will be equal to \$103,284,900 in 2022-23.

[Bill Section: 85(4)]