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March 30, 2017

Members of the Joint Committee on Finance:

Due to schedule conflicts on Monday, April 3, I am submitting my testimony in written format. I want to thank you for this opportunity to share our perspective on the impact of the Governors 2018-2019 state budget proposal as I know many of our members will be doing the same at the various meetings you will be holding throughout the state. I am Kim Kaukl the Executive Director of the Wisconsin Rural Schools Alliance (WiRSA) is an organization of 200 plus members with 150 school districts and several CESAs, technical colleges, universities, business members and individual members. WiRSA represents the students, administrators, teachers, school board members and community of our rural schools.

Overall, WiRSA supports the Governor’s budget proposal for K-12 education and feel this proposal is a step in the right direction. We still have concerns in the areas of revenue limits and the negative impact that they are having on school funding. The revenue limits have handcuffed many of our rural districts. When the caps were put in place in the 90s schools that were fiscally responsible are now being penalized because they were frozen with this low revenue limit enacted back in the inception of the caps. Due to the numerous cuts to public education over the past years coupled with this low revenue ceiling, these schools are locked in a vicious cycle. Another area of concern combined with the restrictive revenue caps is that many rural districts look wealthy based on the high recreational property value, when in fact they are a very poor district based on the free and reduced lunch rates. This combination sets up negative short falls for many rural districts.

Looking at the specifics of the Governor’s budget proposals for K-12 Education -

1. We support the governor’s proposal to increase each districts per pupil categorical aid from the current $250 per pupil by adding $200 per pupil in 2017-18 and an additional $204 in 2018-19.  This increase will positively impact the educational opportunities for the students we serve.
2. We oppose the budget provision which makes a district’s receipt of the new per pupil aid contingent upon the district certifying to DPI that district employees pay at least 12% of all costs and payments associated with employee health care plans in that school year.  The language is very ambiguous interfere with district efforts to recruit and retain qualified staff.  It also diminishes the innovative ways districts have used the flexibility afforded them under Act 10 to reduce costs and operate more efficiently.
3. We oppose the budget provision requiring districts to distribute new per pupil aid equitably to each school in the district based on enrollment.  Allow districts to distribute these monies that will best impact students. This should be a local control issue, they know best where the dollars are most needed.
4. We support the Governor’s proposed increases in sparsity aid and the second tier of schools with enrollment up to 1000 students. If possible, we would like to see consideration in raising the enrollment level to 1500 students. WiRSA feels this would bring needed funding to close to 80% of rural districts. This was our original request to the Governor in November.
5. We support the Governor’s proposed increases to high-cost transportation. Our original request was to add a second tier to this piece that would include districts that meet the 125%-149% threshold. Again, this would bring needed help to more districts and not penalize them for being fiscally responsible in this area.
6. We support the Governor’s proposed increases for school mental health initiatives. This is a vital piece for the future of our children. As a former school administrator, I can tell you that when I looked deep into many of my students with attendance and discipline issues, 80% of the time the problem was related to a mental health issue.

In closing, I invite you to visit the public schools in your area and talk to the students, teachers and administrators. I think you would be amazed at the great things happening in our public schools. I also invite you to join us at our WiRSA Conference October 30-31 in Wisconsin Dells where we showcase the great programs that are occurring in our rural schools.

Thank them for listening and for serving the citizens of Wisconsin.

Sincerely,

Kim Kaukl

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