

**For Immediate Release** Contact: Brian Sikma, (608) 266-7513 June 21, 2021

## Milwaukee Public Schools in no position to complain about lack of taxpayer funds

Madison, WI - Before the Legislature's budget-writing committee (the Joint Finance Committee) concluded its work on the next state budget, officials from Milwaukee Public Schools had already made arrangements for a "Statewide Day of Education Action" on June 21 to chastise Republican legislators for "underfunding" K-12 schools. <u>A June 17 press release</u> from the MPS School Board titled "Stop Playing Politics with Our Kids" set the stage for the narrative that would be advanced through the event.

MPS officials cite a recent report from the Wisconsin Policy Forum (WPF) titled "Golden Opportunity For Wisconsin." <u>The report</u> highlights the \$4.4 billion upward revision in the estimated state tax revenues Wisconsin will collect by the end of the 2023 fiscal year. The WPF report goes on to discuss a series of actions that could be taken by the Legislature in light of these additional revenues. Anyone who followed along with the actions taken by the Joint Finance Committee on the next state budget would acknowledge that many of items outlined in the WPF report were addressed in some capacity.

The MPS School Board's press release was presumably written prior to the Joint Finance Committee's final meeting on the next state budget, which occurred later that day. A few weeks earlier, the Joint Finance Committee had <u>voted to</u> <u>approve a \$128 million increase</u> in state funding for various K-12 aid categories. The MPS School Board characterized this amount as "paltry" and a vote "against increasing school funding." It should be noted that two-thirds of this initial spending increase went towards upping the state's reimbursement of special education costs, which will reach 30% in the second year of the budget. As some of my colleagues have mentioned, this mirrors the reimbursement rate that Gov. Evers asked for in the final budget request he submitted as the Superintendent of Public Instruction.

During its final meeting on the budget, the Joint Finance Committee <u>voted to increase general state aid for K-12 schools</u> <u>by \$650 million</u>. As a result of this action, the state will fulfill the federal government's "maintenance of effort" requirement for the \$1.5 billion windfall that Wisconsin K-12 schools are set to receive through the most recent COVID-19 spending bill (the American Rescue Plan Act). Absent a veto from Gov. Evers, the state will cover over two-thirds of K-12 funding during the second year of the budget. Two-thirds state funding for K-12 education has been one of the oftrepeated goals of Gov. Evers.

Across the three federal COVID-19 spending bills (the CARES Act, the Consolidated Appropriations Act and the American Rescue Plan Act), \$2.6 billion will be provided to K-12 schools. The lion's share of these funds (\$2.4 billion) were allocated through the Elementary and Secondary School Emergency Relief Fund (ESSER funds).

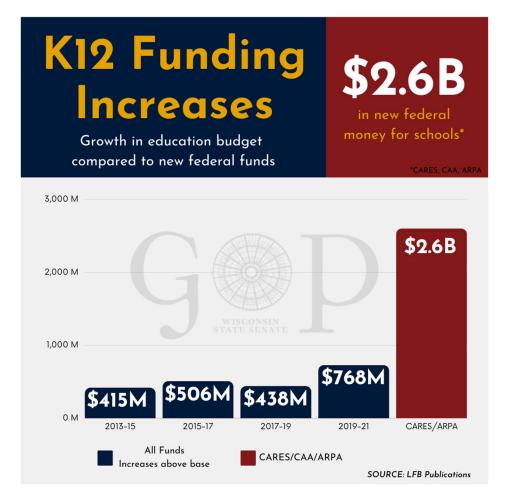
Congress directed 90% of the ESSER funds be distributed through a formula based on the number of low-income students residing in each school district. As a result, MPS will be by far the largest beneficiary of the infusion of federal

-Continued-

dollars. <u>Per the non-partisan Legislative Fiscal Bureau</u>, MPS is estimated to receive 38% of these funds, or **\$797 million**. This amounts to an increase of \$11,242 per student, which comes in addition to <u>the \$15,844 MPS already spends per</u> <u>student</u>. Put another way, the federal funds alone amount to 79% of <u>the \$1 billion operations budget</u> approved by the MPS School Board for the 2020-21 school year.

Some in the public school lobby have been quick to characterize the federal COVID-19 funds as "one-time" money that should be given no consideration in the Legislature's deliberations on the next state budget. However, Congress authorized the third round of funding (\$1.5 billion through ARPA) to be spent through September 30, 2024. Moreover, the authorized uses of these funds are very broad.

The MPS School Board is in no position to complain about a lack of taxpayer funding for K-12 education. The sum of these federal funds makes the \$87 million property tax increase through 2023 that MPS secured via referendum last year look "paltry."



Sen. Duey Stroebel represents the 20<sup>th</sup> Senate District which includes portions of Ozaukee, Washington, Fond du Lac, Calumet and Sheboygan Counties.

###