

2023-25 State Budget: K-12 Education

Setting Every Child Up for Success Means Lifting up Wisconsin's Public Schools

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Every child deserves a quality K-12 education that sets them up for opportunities and success, regardless of school district or zip code. However, Wisconsin public schools continue to face many substantial challenges. In the last state budget, public schools received only modest state funding increases that were well below the rate of inflation. The legislature also froze the cap on how much state and local funding schools can use to cover expenses.

Although a very large infusion of federal pandemic aid provided short-term relief for schools, that federal funding is dwindling, while inflation continues to drive up costs. Without large increases in state aid, school districts will have to make deep cuts in spending at a time when hiring and retaining qualified teachers is already extremely difficult. Additionally, over many years the legislature has significantly reduced the percent of state aid that is targeted to districts that have less capacity to generate property tax revenue, further driving funding and resource disparities. This means less services and supports to address opportunity gaps in educational outcomes that particularly harm students of color and those in concentrated areas of poverty.

Boosting equalization and special education aid

In light of these challenges, Governor Evers has proposed a budget that increases the state's investment in K-12 education by \$2.6 billion over the next two years. Key elements of the Governor's plan include:

- \$1 billion more from General Purpose Revenue (GPR) for [general equalization aid](#), which is the type of aid needed to help minimize the gap in educational opportunity across all districts.
- An increase of a little over \$1 billion in special education aid, which would boost the state share of special education costs to a guaranteed 60% in both years of the 2023-25 biennium.
- \$46.5 million to give every district an additional \$24 per pupil in fiscal year 2023-24 and \$45 per pupil the following year.

The Governor also proposes substantial increases in the state caps on the total amount of general aid and local property tax revenue that districts are allowed to spend per student – growing by \$350 per student in the 2023-24 fiscal year to \$1,000 per student in the 2024-25 fiscal year. Despite the increases in allowable spending, school property tax levies are expected to increase by less than 1% per year because general school aids would increase by \$1,000 per pupil.

Investments in health care and nutrition

The Evers budget includes two significant initiatives to help schools improve health care services:

- Currently, when schools provide health care to Medicaid-eligible students, their expenditures draw down federal matching funds, but the state siphons off much of that funding. The proposed budget would allow school districts to retain all of those matching funds, which would generate an additional \$112 million of federal funding for schools over the biennium.
- To address the rising number of students experiencing mental health difficulties, the Governor proposes \$270 million GPR over the biennium to expand the types of mental health professionals in schools and create a system of comprehensive school-based mental health services.

The proposed budget also includes significant investments in nutrition to ensure kids are prepared for the school day and experience less anxiety about where they get their next meal. The largest of these investments is \$120 million GPR in the second year of the biennium to create the Healthy Meals, Healthy Kids program, which would fully fund school breakfast and lunches for all children.

The Evers budget also proposes two other substantial investments that would start in the second year of the biennium: \$16.4 million to help school districts recruit and retain teachers, and \$20 million to expand afterschool programs. The [increased funding for out-of-school-time grants would help children receive assistance with their homework](#) or lessons and avoid risky behavior.

Promoting racial equity

A number of the previously referenced proposals would help promote racial equity, even though they are not specifically targeted to students of color. Increased funding for equalization aid and afterschool programs are two examples. Some of the other proposals have a more obvious connection to helping immigrants and children of color. These include:

- [Adding \\$74.7 million to improve schools' capacity to support English learners.](#)
- Providing \$6.5 million in 2024-25 to subsidize the cost of providing driver's education to economically disadvantaged students. This would increase students' access to

future job opportunities and help narrow a significant gap between black and white students in the state who have a driver's license.

- Using \$400,000 to create a grant program that reimburses expenses incurred by school districts that choose to change race-based mascots and logos. The funds come from tribal gaming revenue.

Looking ahead

The Governor's budget illustrates that the state could substantially increase school aid, relax school revenue caps, and tackle racial disparities. However, the budget is now up to the discretionary power of Republican legislators who have very different priorities. They support increased funding for private schools and larger tax cuts than what Evers included in his budget. And they oppose his proposals to offset lost tax revenue by closing loopholes that benefit the very wealthy.

For tax cuts to become law, the Legislature and Governor will probably need to strike a compromise. The net cost of the tax cut that is eventually enacted will impact how much the state can invest in our children and schools.

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About Kids Forward

Kids Forward inspires action and promotes access to opportunity for every kid, every family, and every community in Wisconsin, notably children and families of color and those furthest from opportunity. Using a research- and community-informed approach, we advocate for effective, long-lasting solutions that break down barriers to success for children and families. Visit kidsforward.org.

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