
Wisconsin Legislative Council

AMENDMENT MEMO



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2023 Assembly Bill 900

**Assembly Substitute
Amendment 1**

CURRENT LAW

Private schools participating in the Racine Parental Choice Program, the Wisconsin Parental Choice Program, or the Special Needs Scholarship Program (“parental choice programs”) receive state payments that are offset by funds deducted from the state aid received by the school district in which a particular choice school student lives for students who entered the program in the 2015-16 school year or later. School districts include parental choice program students in their membership count for general aid, and receive a revenue limit adjustment equal to the aid reduction.

Similarly, independent charter schools authorized by certain entities receive state payments that are offset by funds deducted from the state aid received by the school district in which a particular independent charter school student lives. School districts include these students in their counts for general aid and revenue limit purposes.

2023 ASSEMBLY BILL 900

Assembly Bill 900 eliminates the reductions school districts receive to their state aid based on students participating in a parental choice program for students entering a program in the 2024-25 school year or later. This change is commonly referred to as “decoupling” the funding of parental choice students from the funding process for public schools. The bill creates a 13-year phase-in period after which all students attending a parental choice program are fully funded by general purpose revenue (GPR).

ASSEMBLY SUBSTITUTE AMENDMENT 1

Assembly Substitute Amendment 1 provides for “decoupling” of state payments for both parental choice students and independent charter school students¹ from the funding process for public schools. These students would no longer be included in enrollment counts of school districts for revenue limits and general aid, and will be fully funded by GPR beginning in the 2024-25 school year. Unlike the original bill, the substitute amendment funds parental choice payments with GPR immediately, rather than implementing a 13-year phase in period.

The substitute amendment also creates a one-time recurring revenue limit adjustment for school districts based on 25 percent of the levy impact of the changes made within the amendment. This will allow school districts to raise additional funds via the property tax they would not otherwise be able to raise under the current revenue limits.

¹ The provisions of 2023 Assembly Bill 688, which relate to the funding of independent charter schools, are incorporated into Assembly Substitute Amendment 1.

BILL HISTORY

Assembly Substitute Amendment 1 was offered by Representatives Schutt, Kitchens, and Maxey on February 5, 2024. On February 14, 2024, the Assembly Committee on Education adopted the substitute amendment and passed the bill, as amended, on votes of Ayes, 10; Noes, 5.

For a full history of the bill, visit the Legislature's [bill history page](#).

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