



# DUEY STROEBEL

STATE SENATOR • 20<sup>TH</sup> DISTRICT

## Testimony on SB 989

*February 6, 2024*

Thank you Chairman Jagler for a hearing on Senate Bill 989. SB 989 makes numerous administrative changes to Wisconsin's four private school choice programs, many of which I will outline shortly. SB 989 is the product of months of deliberations and negotiations between the Department of Public Instruction and participant schools and families utilizing the choice programs. DPI and School Choice Wisconsin will both be testifying later in favor of the bill.

At the outset, let me stress that a conscious effort was made by all involved (DPI, SCW and bill authors) to avoid policy changes to the programs. Substantive issues that altered eligibility or had a fiscal impact were declared out of bounds. It was our goal to produce a product that everyone, regardless of one's support or apprehension about the policy of taxpayer support for private education options, could support as improving clarity, efficiency, accountability and accessibility to the programs.

Some of the changes in SB 989 include:

- Combining the Milwaukee, Racine and Statewide Choice programs into one program, called the Private School Choice Program once enrollment caps for the statewide program expire.
- Instituting an automatic reenrollment process for continuing students.
- Aligning requirements for the Special Needs Scholarship Program to the other programs, including requiring the option of a waiver of religious activities.
- Modifying the due dates for materials in the new school application process.
- Requiring a Wisconsin location for virtual schools in the program.
- Providing two additional FTEs for DPI to help administer the law.

I will let DPI answer the technical questions when they testify after me. The 2023-24 Session has been full of bipartisan education policy and funding agreements. I hope SB 989 can be yet another among such bills this Session. Thank you.

# JESSIE RODRIGUEZ

STATE REPRESENTATIVE ★ 21<sup>ST</sup> ASSEMBLY DISTRICT

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**SB 989: Combining the School Choice Programs**  
**Testimony of State Representative Jessie Rodriguez**  
**Senate Committee on Education**  
**February 6, 2024**

Thank you Chairman Jagler and members of the Senate Committee on Education for the opportunity to testify on Senate Bill 989 (SB 989), legislation that will combine the Milwaukee, Racine, and statewide choice programs into one Private School Choice Program (PSCP).

Coming up in the 2026-27 school year, the current Wisconsin Parental Choice Program school district student participation limits end, creating a great opportunity to move to a consolidated Parental School Choice Program. The choice programs have not undergone any substantive changes since I authored 2013 Act 237. Act 237 passed on a unanimous roll call vote in the Senate and on a voice vote in the Assembly. It was signed into law on April 11, 2014.

This bill makes technical changes and administrative improvements to the choice programs, including: aligning certain requirements, deadlines, and enrollment periods across the Milwaukee, Racine, and statewide programs. It does not make changes to the eligibility criteria nor the funding structure.

One of the most exciting changes for schools will be the new PSCP re-enrollment process, which will allow schools to implement an automatic re-enrollment process. If a school plans to have enough seats in the following school year for all of their current PSCP pupils, they will be able to offer families a seat. Under the optional re-enrollment process, parents will have the ability to opt-in and accept their child's seat easily – they will not need to complete an application or go on the parent Online Application System (OAS) portal. If a school will not have enough seats to accommodate every current pupil who is of age to return in the subsequent school year, the school will proceed with a lottery.

SB 989 also seeks to clean up a number of things in the choice programs, including:

- Requiring a private school to indicate whether they plan to offer virtual instruction with their intent to participate.
- Requiring that if a participating private school offers virtual instruction, they must ensure a teacher is responsible for various aspects of the virtual instruction and pupil learning.
- Ensuring that a participating private school has a physical location here in Wisconsin.
- Allowing people who hold a substitute-teaching permit issued by the Department of Public Instruction (DPI) to teach at a participating private school, as allowed under their substitute-teaching permit.
- Making changes to the financial audit that participating private schools must submit to DPI for both the Special Needs Scholarship Program (SNSP) and the PSCP.

# JESSIE RODRIGUEZ

STATE REPRESENTATIVE ★ 21<sup>ST</sup> ASSEMBLY DISTRICT

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- Changing initial requirements for brand new private schools.
- Aligning various deadlines across the three programs.
- Aligning the SNSP with the PSCP, where possible.

This bill will make administration of the programs easier for DPI, participating schools, and participating families. Later today, you will hear from School Choice Wisconsin and DPI, who worked hard on finding these improvements to our choice programs. I encourage your support for this legislation. Thank you for your time. I welcome any questions you may have.

## **Testimony in Support of Senate Bill 989**

### **Senate Committee on Education**

**February 6, 2024**

Chairman Jagler and members of the Senate Committee on Education:

My name is Carol Shires and I am the Vice President of Operations and Executive Director for School Choice Wisconsin Action.

School Choice Wisconsin Action appreciates the opportunity to testify in support of SB 989. SCWA is a C4 membership organization serving nearly 400 schools in Wisconsin's parental choice programs.

We also thank bill authors Senator Duey Stroebel and Representative Jessie Rodriguez for their support and assistance.

SB 989 reflects a partnership initiated by the Department of Public Instruction to simplify the administration of the Milwaukee, Racine, and Wisconsin parental choice programs.

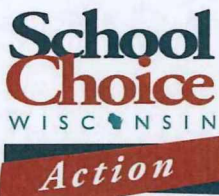
Our goal is simple and our interest mutual. DPI and we seek to reduce the workload on both DPI and the private schools and families that participate in parental choice programs.

The bill is technical in nature. It reflects the fact the local district enrollment caps for the WPCP will expire in 2026. Changes will be required before that occurs. We and DPI are seeking to plan ahead to ensure a smooth transition.

During our six-month review, we and DPI focused on statutory provisions that would become obsolete or unnecessary when enrollment caps expire. We propose to align MPCP, RPCP and WPCP program requirements and deadlines so they are as uniform as possible. We propose other technical changes to strengthen and simplify the programs without compromising program integrity.

SB 989 addresses those issues. Please note that it does NOT change pupil eligibility criteria, including income requirements and grade point entry.

To develop this legislation, SCW and DPI proactively engaged schools and other stakeholders. To engage schools, SCW conducted surveys, interviews, and multiple focus groups. We held joint sessions with DPI that included schools, auditors, and other allies.



In addition to the structured opportunities for school and stakeholder feedback, SCW also spent significant time talking with individual choice administrators regarding what the automatic re-enrollment process would look like beginning in 2026.

We and DPI also kept in close contact with the bill authors to share progress reports. Once we and DPI had worked through the technical aspects of combining and aligning the programs, we consulted with legislators and staff regarding remaining issues including how to handle: virtual instruction; timelines for new school approval; audit requirements; and DPI needs for information technology to implement changes.

The bill is lengthy, and the process was time-consuming precisely because we took such care to work out details. We assure you that the bill was drafted in good faith with the authors, DPI, SCW, private choice schools and other stakeholders.

Our goal is to enact this legislation before the end of this legislative session. That will give DPI time to begin the rule-making process and to make information technology upgrades necessary to implement the changes to the enrollment process and other reporting requirements in the bill.

We thank you for your consideration and respectfully ask for your support of Senate Bill 989.



February 6, 2024

**Senate Committee on Education  
Department of Public Instruction Testimony  
2023 Senate Bill 989**

Thank you, Chairperson Jagler, and members of the committee, for the opportunity to testify before you today. My name is Chanell Crawford, and I serve as Director of the Parental Education Options team at the Department of Public Instruction (DPI). We are here to testify in support of 2023 Senate Bill 989 (SB 989).

Under 1989 Act 336, the Milwaukee Parental Choice Program was created which allowed low-income students who resided in the City of Milwaukee to attend nonsectarian private schools located in Milwaukee and use state funds to pay for the cost. In its first year, seven (7) private schools and 341 students participated. Currently, there are three Parental Choice Programs, Milwaukee, Racine, and Wisconsin that allow students throughout Wisconsin to attend private schools participating in the programs. In addition, the Special Needs Scholarship Program (SNSP), created under 2015 Act 55, allows students with a disability, who meet certain eligibility requirements, to receive state-funded scholarships to attend participating private schools. Across these four programs, there are 54,949 students and 383 schools and school systems participating. While some private schools opt to just participate in one program, many private schools participate in multiple choice programs. Although student and school participation have increased significantly, and program requirements have changed, administrative funding and staffing have not. In addition, because each choice program was added separately over the last 30 years, many requirements were duplicated across each program creating administrative inefficiencies.

During 2023, the DPI engaged in a review of the Private School Choice Programs and SNSP in an effort to identify potential administrative improvements that can be made to the programs to benefit schools and families and create new efficiencies. Throughout the process, DPI has sought and used the feedback provided by private schools and private school stakeholder groups. We thank the authors of this bill, Representative Jessie Rodriquez and Senator Duey Stroebel for their input, collaboration, and support. DPI believes this bill will create administrative efficiencies across programs that will positively impact participating students, schools, and the department, while maintaining and more closely aligning the current law accountability provisions across all the programs.

The bill has three main objectives. The attachments provide details regarding each of these areas.

1. Consolidate the Milwaukee Parental Choice Program, Racine Parental Choice Program, and Wisconsin Parental Choice Program into one program, the Private School Choice Program (PSCP) and align program requirements and create

administrative efficiencies across the programs, including aligning more requirements between the PSCP and SNSP.

2. Modify the requirements for start-up schools joining the PSCP.
3. Clarify requirements for schools providing virtual instruction.

The bill creates a reenrollment process for students continuing in the PSCP where students continuing in the PSCP at the same school do not need to apply to the PSCP for the next school year. This bill does not change the underlying student eligibility requirements or program funding.

To implement these changes, and particularly those related to program consolidation and application process, by the 2026-27 school year, the department will need funding for IT resources to update the application systems and administrative systems. In addition, to effectively administer these programs, additional staff are needed. The last time the department received position authority or funding to administer the Choice programs was in the 2017-19 budget. Moreover, the department has not received position authority or funding for the administration of the SNSP. Position authority for 2.0 FTE is included in this bill. Additionally, one-time funding to support the IT-related implementation work will be part of a request to the Joint Committee on Finance.

Thank you for your time. I am happy to answer any questions and discuss the attachments if needed.

Following today's hearing, if you have questions or would like additional information, please contact Kevyn Radcliffe, Legislative Liaison, at [kevyn.radcliffe@dpi.wi.gov](mailto:kevyn.radcliffe@dpi.wi.gov) or (608) 264-6716.

**Attachment 1**  
**Summary of 2023 SB 989:**

Program Requirements Alignment and Efficiencies:

- Consolidate the Milwaukee Parental Choice Program, Racine Parental Choice Program, and Wisconsin Parental Choice Program into one program, the Private School Choice Program (PSCP) beginning with the 2026-27 school year.
  - Eligibility criteria for students will not change from current law and will continue to be based on where a student resides.
  - The Special Needs Scholarship Program (SNSP) will remain its own program.
  - Modify the current annual student application process to a re-enrollment process for continuing PSCP students who want to stay at the same PSCP school and are not in the highest grade a school offers:
    - This process will happen prior to the start of the first regular application period in February. Students who are granted a Choice program seat through this process will not have to submit an application through the online Parent Application unless they later decide they want to attend a different school.
    - Residency will be verified for students who take part in the PSCP re-enrollment process later as of 3rd Friday in September (this will be completed through an update to the Administrative rules).
    - Align the application periods for PSCP applicants that would have been previously eligible for the Wisconsin Parental Choice program with the application period dates for the Racine Parental Choice Program.
  - To ensure there is a sufficient amount of time for the PSCP re-enrollment process, the alternative count date option will be modified. As a result, the count date definition will be moved to the Choice statute effective July 1, 2025. It will also incorporate modifications for the 3rd Friday in September Pupil Count Report that ensure a September alternative count date allows for the timely reporting of the pupil counts for school district deduction purposes by October 15. The same alternative count date requirements will also be applicable to schools participating in the SNSP.
- Clarify that PSCP schools must have a process for appealing a suspension *and* expulsion and require that the school's policy include a written notification to a parent/guardian if a student is suspended or expelled.
- Require that new SNSP schools meet the same preaccreditation/accreditation requirements as PSCP schools. Grandfather and phase out the option for a school to be "approved as a private school by the state superintendent" if they are not accredited.
- Allow a SNSP student's parent or guardian to submit a request that their student be exempt from religious activities similar to the PSCP.
- Remove the requirement that SNSP schools complete progress reports related to an agreement of services for students that have been determined to longer have a disability.
- Extend the due date of the PSCP and SNSP financial audit from October 15th to the last weekday in October. The related due dates applicable to the Department of Public Instruction will also be extended by approximately 15 days.
- Change the name of the Enrollment Audits to Attestation Reports as requested from the external auditors to align the name with the applicable American Institute of Certified Public Accountants (AICPA) requirements.
- Organize the PSCP Fiscal and Internal Control Practices Report requirements into sections. Align the due date for certain sections with the financial audit due date and



incorporate the review of other requirements into the existing September Attestation Report.

- Require that certain SNSP schools have particular fiscal and internal controls in place and reviewed as part of a Fiscal and Internal Control Practices Report. This is required for schools that participate in the Choice program or receive a certain amount of SNSP payments.
- Remove the requirement to submit a management letter because schools' compliance with the fiscal and internal control practices is reported to the department through other reports and significant issues with the financial audit would be identified in the financial audit.
- Require that administrators, teachers, and teacher aids at schools participating in the SNSP meet the staff credential requirements, similar to PSCP. The bill includes a transition period for certain teachers that do not meet the educational credential requirements.
- Amend specific due dates to avoid deadlines falling on a weekend (for example, first weekday in August instead of August 1).
- A short-term substitute teacher permit currently allows an individual to be a short-term (no more than 45 days in a specific assignment) substitute in any subject and in any grade level in a public school. PSCP and SNSP schools will be able to utilize individuals with a short-term substitute permit in the same manner in which public schools may.
- Effective for the 2026-27 school year, modify the certificate of occupancy requirements so they are consistent with the current requirements for schools currently participating in the MPCP. Under these requirements, a first-time PSCP participant or a participating school with a new location must provide either a certificate of occupancy for the school's location(s) or a letter from the municipality within which the school is located explaining that the municipality does not issue certificates of occupancy.
- Modify the due date for the first-time school participants' fiscal management training requirement to the first weekday in April.
- Require first-time school participants to have a contract with and report their certified Student Information System (SIS) vendor by the first weekday in July.

New Private Schools (Generally Start Up Schools) Requirements: Effective Upon Passage of the Bill

- Modify the due date for the initial Intent to Participate from August 1 to the first weekday in August and include information about PSCP seats available.
- Replace the budget and cash flow report requirement, which is currently due by August 1 in advance of the school year in which the new private school will first participate, with an initial surety bond requirement. The surety bond requirement will be due by the third Monday in October in advance of the school year in which the school will participate. The required surety bond amount will be the greater of either \$25,000 or 25% of expected PSCP payments based on the identified number of PSCP seats available. Updates to the bond will be required in certain circumstances.
- Modify the due date of other initial requirements (disclosures of information, preaccreditation notice, and academic standards) to the third Monday in October.
- Modify the due date for the Department of Public Instruction to notify schools if they have met initial requirements to participate to the first weekday in December instead of December 31.
- Revise the due date for the auditor fee for new private schools so it aligns with all other schools seeking to participate in the PSCP.

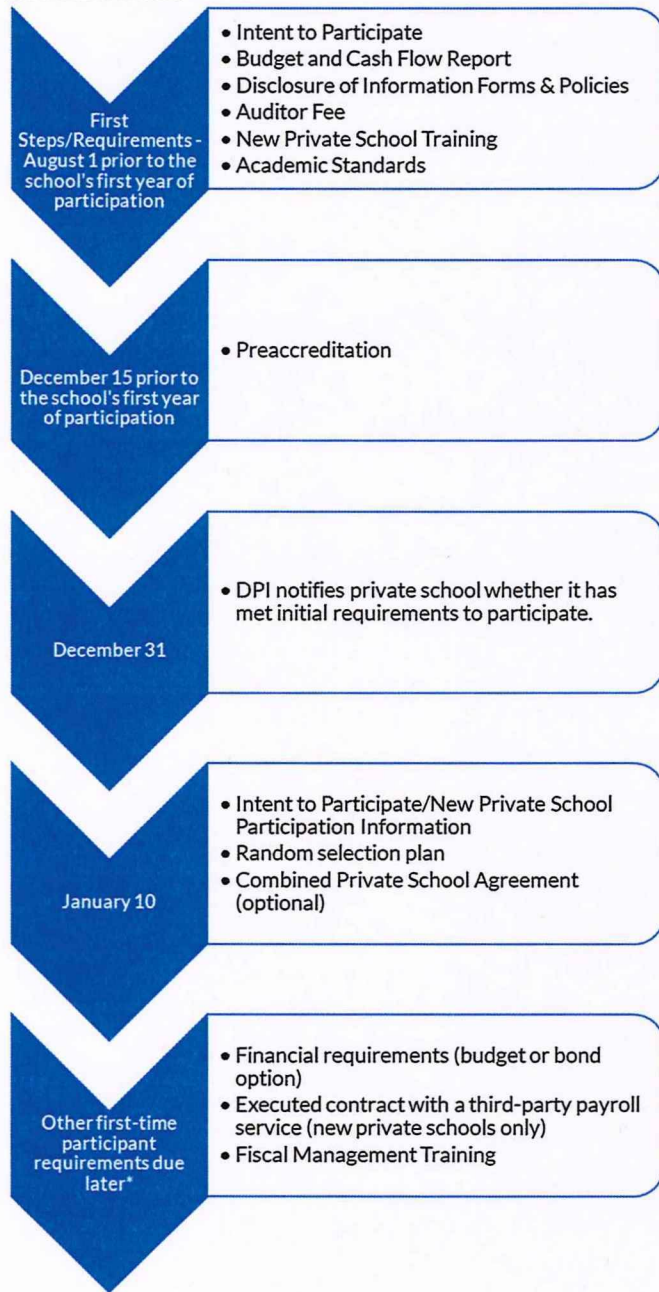
Virtual Instruction in the PSCP and SNSP:

- Require schools to provide information regarding whether the school provides virtual instruction on the Intent to Participate.
- Require schools offering virtual instruction to have a teacher that meets the requirements in Wis. Stat. s. [118.40\(8\)\(c\)](#) for each pupil receiving virtual instruction.
- Clarify that all schools, including schools only offering virtual instruction, must have a physical location in the state (although students do not have to physically attend school in the location).

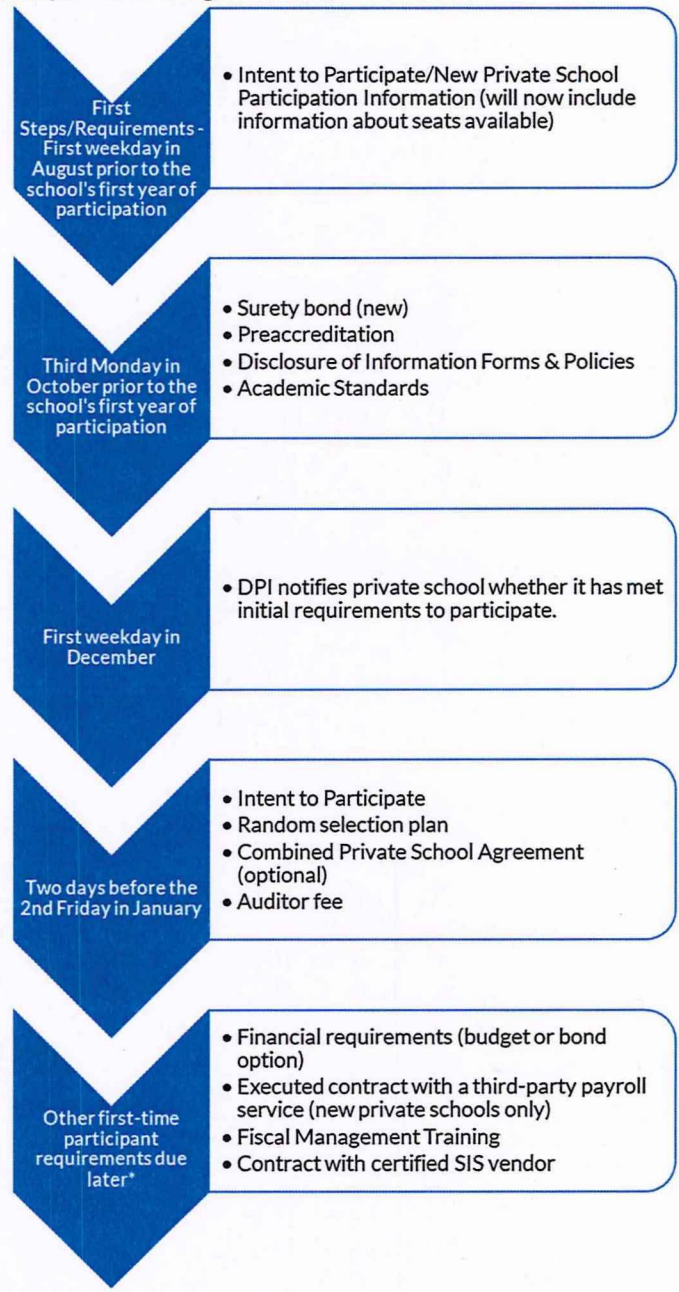
Generally, these provisions are effective July 1, 2025, unless otherwise noted.

## Attachment 2 New Private Schools Requirements Timeline:

### Current Law:



### Proposed Changes in Bill:



\* Please note the list of requirements included in this attachment is not a full list of all applicable requirements.

February 6, 2024

Dear Chairman Jagler and Members of the Senate Education Committee:

School Choice Wisconsin and our affiliate School Choice Wisconsin Action appreciate the opportunity to provide written testimony in support of Senate Bill 989. School Choice Wisconsin Action is a C4 membership organization serving nearly 400 schools in Wisconsin's parental choice programs.

SB 989 is the product of a partnership with the Department of Public Instruction to simplify the administration of parental choice programs. The bill combines the Milwaukee, Racine, and Wisconsin programs and makes minor changes to the Special Needs Scholarship Program.

The bill's provisions reduce the workload on DPI, families, and private schools that participate. They are primarily technical in nature.

The bill makes no changes to eligibility criteria or funding provisions. Benefits for schools and DPI include the consolidation of time-consuming practices relating to such matters as re-enrollment and reporting of membership counts.

To develop this legislation, SCW and DPI proactively engaged schools and other stakeholders. Our goal was to draft a bill that private choice schools, DPI, legislators and the Governor could all support. We believe that we have achieved that goal.

SCW and SCWA brought to the table substantial expertise in problem solving. Our staff includes persons who have led or played major administrative roles in private schools. We answer thousands of phone calls from schools and families each year, helping them navigate current choice programs. We maintain regular communication with the Department of Public Instruction (DPI) so we can provide solid guidance to schools and families.

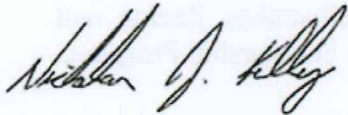
To engage schools, SCW conducted surveys, interviews, and multiple focus groups. We held joint sessions with DPI that included schools, auditors, and other allies. We conducted a careful review of the bill with our legal allies. DPI appeared at our annual school summit in December to describe progress that we had made.

Some committee members may be hearing the details of SB 989 for the first time today. We want to assure you that the bill was drafted in good faith with the authors, DPI, SCW/SCWA, private choice schools and other stakeholders. The process was time consuming precisely because we took such care to work out details.

Our goal is to enact this legislation before the end of this legislative session. That will give DPI time to begin the rule-making process and to make information technology upgrades necessary to implement the changes to the enrollment process and other reporting requirements in the bill.

We thank you for your consideration and respectfully ask for your support of Senate Bill 989.

Sincerely,



Nicholas Kelly