



WISCONSIN STATE REPRESENTATIVE

# Benjamin Franklin

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88TH ASSEMBLY DISTRICT

February 6th, 2025

Assembly Committee on Education

Chairman Kitchens and members of the Assembly Committee on Education, thank you for the opportunity to testify today:

Assembly Bill 6 will provide fairness for our teachers and support staff, and prioritize our students by making simple reforms to how schools use their resources. We can do this by requiring 70% of all funds a school receives be used inside the classroom. The bill also ensures school administrators' salary and benefit increases are tied to the percent increases that our teachers receive.

Recent studies have shown a concerning shift in funding leaving the classroom and being used to fund administrating our schools. The National Center for Education Statistics, from 2000 to 2022, found that positions devoted to school administration grew 94.6% nationally. School principal positions increased nearly 39%, while teaching positions increased by less than 10%. Meanwhile, data from the National Assessment of Education Progress (NAEP) showed that only 33% of 4<sup>th</sup> graders were proficient in reading in 2022, and 31% were proficient on the most recent 2024 exam, which is the lowest since 1992.

In the business world, if I invest money in a particular area and it yields negative results, I would look at reallocating my resources to achieve the desired results. Government is no different. As state legislators, we have a responsibility to be stewards of the citizens tax dollars and to make sure that we continue to invest back in our classrooms and not into the front office.

There is no single solution that will solve the issues in our schools, but this legislation will be a step in the right direction for our kids, teachers, and the taxpayers of Wisconsin. Thank you again for your time and consideration of AB 6 and I look forward to your support.



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# CORY TOMCZYK

STATE SENATOR • 29<sup>TH</sup> SENATE DISTRICT

**Assembly Bill 6**  
**Assembly Committee on Education**  
**February 6, 2025**

Like in any organization, sometimes leadership loses its focus and forgets what they are there to accomplish. In a school district, sometimes administration forgets that schools are there to teach children and set them up for future educational success. Taxpayers spend billions of dollars on K-12 education in Wisconsin, yet there are schools in Milwaukee where not ONE student can read at grade level. This is shameful and NOT a good return on our investment. Our children deserve better.

While leadership in a school district is important, it should certainly take a back seat to actual teachers inside the classroom. Budgets are tight but paying quality teachers enough to stay in the industry and stay in the classroom is essential to ensure that students are given a fair shake. In order to ensure that kids are given the resources they need from their school districts, it might be time that the state requires a certain amount of funds go to the most important part of schools - the classroom.

AB 6 requires that 70% of its operating expenditures be spent in the classroom. The bill uses the term "direct classroom expenditures." This means teacher/teacher aide salaries and benefits, instructional supplies, tuition, athletic programs, and cocurricular activities. If a school board fails to meet the 70% threshold, the school board must increase direct classroom expenditures by 2% in the following school year until 70% is reached. Should this happen, state aid to that school district cannot levy additional property taxes to compensate.

AB 6 also limits the amount a school district administrator, business manager, principal, or assistant can receive a raise to the average provided to teachers in that district.

Teachers are the backbone of a school and arguably the most important things to invest in – we must ensure that administrative bloat does not affect the education of our state's children.

There are many issues with education in Wisconsin – this bill will not solve all of them, however this is one tool to ensure that taxpayer dollars are being used most prudently, which is inside the classroom.



## **School Administrators Alliance**

*Representing the Interests of Wisconsin School Children*

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**TO:** Assembly Committee on Education  
**FROM:** Dee Pettack, Executive Director  
**DATE:** February 6, 2025  
**RE:** Assembly Bill 6

Thank you for the opportunity to submit testimony on this legislation. My name is Dee Pettack, and I serve as the Executive Director of the Wisconsin School Administrators Alliance (SAA). The SAA represents the combined memberships of five professional associations of public school administrators:

- The Association of Wisconsin School Administrators (AWSA)
- The Wisconsin Association of School Business Officials (WASBO)
- The Wisconsin Association of School District Administrators (WASDA)
- The Wisconsin Association of School Personnel Administrators (WASPA)
- The Wisconsin Council for Administrators of Special Services (WCASS)

### **Opposition to Assembly Bill 6**

The SAA opposes this bill for several key reasons. Assembly Bill 6 (AB 6) shifts budgetary control away from locally elected school boards, restricting their ability to allocate funds based on the unique needs of their districts. The bill mandates that at least 70% of a district's operating budget be spent on "direct classroom expenditures," which it narrowly defines as teacher and teacher aide salaries, instructional supplies, tuition, athletics, and cocurricular activities.

Assembly Bill 6 proposes to:

1. Restrict school boards' spending to what the bill defines as "direct classroom expenditures."
2. Impose penalties on districts that fail to meet this requirement.
3. Limit annual salary increases for school administrators.

### **Unclear Definitions and Budget Constraints**

The bill lacks a clear definition of total operational costs, making it difficult to determine which expenditures count toward the calculation. Additionally, its restrictive definition of "direct classroom expenditures" excludes many professionals and essential services critical to student success and school operations.

Under AB 6, the remaining 30% of a district's budget would have to cover all of the following:

- Early childhood programming
- School safety initiatives

- Pupil service professionals (counselors, social workers, nurses, psychologists, etc.)
- Libraries and librarians
- Facilities, maintenance, and custodial services
- Transportation
- Utilities
- Technology support services
- Nutrition services
- Business operations, accounting, and human resources
- Non-instructional supplies
- Property insurance

These expenditures are not only necessary but some are legally required. AB 6 also fails to account for emergency expenses or significant planned purchases, such as replacing school buses.

### **Financial Penalties and Consequences**

If a district does not meet the 70% spending requirement, the Department of Public Instruction (DPI) would be required to reduce its state aid by the shortfall amount. If the penalty exceeds the district's total state aid, the bill mandates a corresponding reduction in local property tax obligations. This could place school districts in financial distress and create unnecessary volatility in funding.

### **Conclusion**

For these reasons, the SAA opposes AB 6. Local school boards, in collaboration with district leaders, are best positioned to make informed budgetary decisions that reflect the needs of their students and communities. This bill imposes rigid and arbitrary financial constraints that could undermine the ability of school districts to provide comprehensive educational services.



February 6, 2025

**Assembly Committee on Education  
Department of Public Instruction Testimony  
2025 AB 6 Requiring A School Board to Spend At Least 70% of Expenditures on Direct  
Classroom Expenditures**

I want to thank Chair Kitchens and members of the committee for the opportunity to give testimony on Assembly Bill 6 (AB 6). My name is Kim Vercauteren, Policy Initiatives Advisor for the Division for Finance and Management, and with me today is Tom McCarthy, DPI Deputy State Superintendent. We are here to testify in opposition to AB 6.

Assembly Bill 6 attempts to (1) limit school boards' expenditures outside what the bill defines as "direct classroom expenditures"; (2) penalize districts that do not meet the requirement; and (3) limit annual compensation increases for school administrators. The department opposes this bill for several reasons.

Under AB 6, all school boards would be required to spend a minimum of 70 percent of operating expenditures on direct classroom expenditures, defined as "salaries and benefits of teachers and teacher aides, instructional supplies, tuition, athletic programs, and cocurricular activities." For school boards that do not meet the 70 percent minimum, the board would be required to increase the percent of its operating budget spent on direct classroom instruction each year by at least two percent, until the 70 percent minimum is reached.

State law already limits educational spending through revenue limits. This bill further shifts control of education spending back to the state and requires DPI to calculate, monitor, and penalize spending that does not meet AB 6's requirements. This lies in direct conflict with current law empowering school boards with the supervision and management of schools (Wis. Stat. ss. [118.24\(2\)\(a\)](#), [119.16\(1m\)](#), [120.12\(1\)](#), [120.44\(2\)](#)). Elected by local residents, these boards are best positioned to ensure that funds are expended in accord with the needs of the community.

The department has not received any evidence-based research that indicates a 70 percent threshold for direct classroom expenditures improves student achievement. The bill also fails to explicitly define total operational costs, though which expenditures are included in these costs will dramatically impact the threshold calculation. Additionally, the definition of "direct classroom expenditures" does not reflect all costs incurred in providing classroom instruction. For example, district instructional expenditures include expenditures for athletic activities, but the related facilities expenditures are accounted elsewhere.

Moreover, the DPI uses Wisconsin Uniform Financial Accounting Requirements (WUFAR), which are continually updated to meet Government Accounting Standard Board (GASB) Statements. Altering this system to track the broad categories of expenses outlined in AB 6 would result in auditing issues, added costs, and integration issues with existing DPI reporting platforms.

The bill's ambiguous language could also require the 30 percent of remaining district expenditures to encompass a myriad of costs, which significantly vary from district to district:

- school safety
- libraries and librarians
- before and after-school programs
- support staff, including staff tasked with tracking student data
- social work and counselors
- health services, including psychologists, school nurses, and other therapists
- technology support
- nutrition services
- facilities, maintenance, grounds, and janitorial services
- business services and human resources
- transportation
- utilities
- property, liability, and workers' compensation insurance

School boards have little control over certain costs, like private school student transportation, which are legally required, non-instructional expenditures. The bill also fails to reference irregular expenses, such as prior year debt or emergency-related expenditures. AB 6 will not promote fairness within districts, but instead hinder school boards from meeting district needs.

Should a school board fail to meet the 70 percent standard under AB 6, the DPI must reduce state aid payments for the district, equal to the difference between the 70 percent minimum amount and the actual amount spent on direct classroom instruction. If the penalty amount exceeds the amount of state aid for which a school district is eligible that year, DPI would be required to order the school board to reduce property tax obligations by the remaining penalty amount. For taxpayers who have "already paid their taxes," the "school district's refunds" must include interest, suggesting that school boards must directly return monies to taxpayers, but with no direction on how to facilitate these payments. When coupled with the two-percent increase previously described, districts would be in a constant loop of increasing instructional expenses, only to have those increases negated by non-instructional penalties.

Finally, logistical issues arise under the bill's enforcement provisions. The DPI does not receive school district reports until after the close of the school year and will not be able to determine whether a district meets the 70 percent benchmark until well into the following school year. If prior-year penalties are applied for non-compliance in that following year, districts will have no time to plan for the aid reduction.

Assembly Bill 6 also limits annual compensation increases for school administrators to the average annual percentage increase in total compensation that the school board provided to teachers in the school district. The proposed compensation restrictions could result in administrator turnover, as transferring to a different district may be the only means through which an administrator could obtain a salary increase. The DPI already identified district transfers as the main cause for administrator vacancy in its [2022 Educator Preparation Program and Workforce Analysis Report](#). Beyond the loss of administrative consistency and knowledge, districts incur additional costs through the administrator search process, directly impacting the ability to utilize those funds to address other educator workforce shortages and staff compensation concerns.

Thank you for your time and attention. We would be happy to take any questions you have at this time. Any future questions may be directed to [Kimberly.Vercauteren@dpi.wi.gov](mailto:Kimberly.Vercauteren@dpi.wi.gov).



## Southeastern Wisconsin Schools Alliance

Feb. 6, 2025

Representative Kitchens and members of the Assembly Education Committee,

I am Cathy Olig, the executive director of the Southeastern Wisconsin Schools Alliance (SWSA), which represents twenty-six public school districts serving approximately 180,000 students in southeastern Wisconsin.

I am writing to express our concerns with AB 3, 4, 5, and 6. While the proposals may have some merit they are matters of local control, and in some cases duplicative of what is already being done in schools. Further, the bills do not address the critical issues and needs of public school districts, which include:

- The increasing costs of special education services and a reimbursement rate that only covers 30% leave the remaining amount to come from a school district's general fund. This is often millions of dollars that a school district must transfer to provide federally mandated services that students need and deserve.
- Rising cost of doing business: increased costs for curriculum, student support needs, utilities, insurance, healthcare, transportation, food service, and wages. School districts are not immune to inflation, yet general school district revenues per pupil lag inflation by more than \$3300 since 2009. The current funding system is not sustainable.
- Advancing literacy and overall student achievement. Act 20 remains an unfunded mandate.
- Recruiting and retaining professional educators and support staff. All districts are experiencing staffing shortages in every single job category. Schools face increased labor costs in a competitive labor market, where it's common to see educators move districts at an increased rate or leave the profession entirely. This harms students and their learning.

**The proposals do not help address any of the critical needs listed above.** We are asking to work with you to develop sound education policy to support student achievement. Public schools need general, flexible, spendable revenue that keeps pace with inflation. Increasing special education funding to at least 60% reimbursement (sum sufficient) would provide more predictable, stable funding that supports all students due to less of a transfer from the school district's general fund.

We want to collaborate with you to help address immediate staffing needs and longer-term educator pipeline issues that all schools face. This would make a difference for all students in Wisconsin, regardless of what type of school they attend.





## Southeastern Wisconsin Schools Alliance

While this letter expresses our concerns, we want to emphasize that we value the long-term relationships that SWSA districts have built with legislators. **How can we start working together to implement solutions that ensure all Wisconsin students have an exceptional education to build a strong future workforce?**

Please meet with your school district leaders to understand the state of public schools. We are happy to speak with you and want to work together to help support Wisconsin students and schools.

Sincerely,

Cathy Olig  
Executive Director

