

# **School Choice Legislation**

## **Parameters of Senate Bill 293 and Assembly Bill 383**

This bill makes the following changes to the Milwaukee Parental Choice Program (MPCP), Racine Parental Choice Program (RPCP), Statewide Parental Choice Program (WPCP), and the Special Needs Scholarship Program:

1. Requires a private school participating in a choice program to conduct background checks of its employees; prohibits a private school from employing an individual who would be ineligible for a teaching license based on his or her criminal history.

*Current law already requires a background check via insurance provisions. This modification adds compliance to the annually required Fiscal Practices Audit and matches public schools' disqualifying list.*

2. Eliminates the requirement that a private school participating in a choice program must annually satisfy at least one of the following standards:
  - a. at least 70% of the pupils in the program advance one grade level each year;
  - b. the private school's average attendance rate for the pupils in the program is at least 90%;
  - c. at least 80% of the pupils in the program demonstrate significant academic progress; or
  - d. at least 70% of the families of pupils in the program meet parent involvement criteria established by the private school.

*These statutes have never been used for any accountability measure. They are burdensome on DPI and private schools while having no impact. With the choice schools now in the statewide report card, these measures are no longer necessary.*

3. Specifies that a private school participating in a choice program is not required to administer certain knowledge and content examinations if fewer than 20 pupils in grades 3 to 12 are attending the private school under the choice program.

*Under current law, a private school participating in a choice program is not required to administer the examinations if fewer than 20 pupils are attending the private school under the choice program. There are times when students outside of testable grades trigger the testing requirement. As a report card will not be generated with less than 20 students, there is no need to go through the expense and time of administering the tests.*

4. Eliminates the requirement to verify a pupil's family income for participation in the RPCP if the pupil attended a private school under the MPCP in the immediately preceding school year. Eliminates the requirement to verify a pupil's family income for participation in the MPCP if the pupil attended a private school under the RPCP program in the immediately preceding school year.

*Under current law, the family income limits for the Milwaukee and Racine choice programs are both 300% of the federal poverty level. There are times when families move across district boundary lines and remain in the same private school, but they are required to enroll in a different choice program, and potentially lose their child's voucher if the family income has changed.*

5. Allows an applicant for a choice program to receive a determination about the applicant's income eligibility for the choice program directly from the Department of Revenue (DOR) as part of the application process.

*Current practice has the school contact DOR to verify a family's income. For financial security, parents should be able to submit the information directly to DOR.*

6. Allows students who are on the waitlist for the statewide parental choice program to be eligible the following school year.

*Under current law, students that were not enrolled in a public school the prior year are ineligible for a voucher unless they are entering grades K, 1 and 9. This provision will allow students to be eligible the following year if they applied during the correct entry point, but an enrollment cap kept them out of the choice program.*

*This provision also allows the students to retain their income status for the following year. It prohibits DPI from requiring a private school participating in the statewide parental choice program to submit financial information for an applicant who was on a waiting list for the statewide parental choice program in the previous school year or to verify the family income of such an applicant.*

7. Replaces Wisconsin North Central Association with AdvancED in the list of entities that are accrediting agencies for purposes of the choice and Special Needs Scholarship Programs.

*This provision clarifies a name change of the accreditation agency and makes the list uniform through all the choice programs in statute.*

8. Modifies existing prior year eligibility for the WPCP and RPCP to include those students that recently moved to the state and those who were on a waiting list the prior year.

*Without these provisions, certain students would be eliminated from eligibility until the next entry point at 9<sup>th</sup> grade.*

9. Changes the deadline for notifying an applicant whether his or her application to attend a private school under a choice program has been accepted to no later than 60 days after the end of the application period during which the application is received.

*Under current law, the deadline is 60 days after the applicant's application is received. This provision was requested by DPI to better administer the lottery.*

10. Expands the first priority for choice enrollment to include pupils who attended that private school under any choice program rather than under a specific choice program.

*This provision extends the priority provision across all choice programs from families whose residence change would shift their enrollment in choice programs.*

11. This provision clarifies that DPI runs the WPCP enrollment lottery while the caps are in place. Once the caps expire, the private schools will run the enrollment lottery themselves as they currently do in Milwaukee and Racine.
12. Requires a private school participating in a choice program to refund its reserve balance to DPI if the private school does not maintain a cash and investment balance that is at least equal to its reserve balance.

*Schools are required to maintain an actual cash reserve equal or greater than its determined reserve balance.*

13. Allows a non-recurring revenue limit exemption for public schools that have students participating in the Special Needs Scholarship Program. Changes the manner in which pupils attending a private school under the Special Needs Scholarship Program are counted for purposes of school district revenue limits.

*Under current law, for purposes of calculating a school district's revenue limit, a pupil attending a private school under the SNSP is considered a pupil enrolled in the school district. Under the bill, for purposes of calculating a school district's revenue limit, a pupil attending a private school under the SNSP is treated in the same manner as an incoming pupil in the statewide or Racine choice programs.*

*Under the bill, a pupil attending a SNSP school is not counted as a pupil enrolled in the school district for purposes of calculating a school district's revenue limit, but the school district may increase its revenue limit by the amount equal to any reduction made to the school district's state aid under the SNSP.*

14. Clarifies the circumstances under which a pupil's resident school district administers examinations to a pupil attending a private school under the SNSP and the circumstances under which the private school administers the examinations.

*If a private school does not administer the state exam due to low numbers of publicly funded students, the parent of a student in the SNSP may request that the resident district administers the exam at no cost.*

15. Allows an individualized education program (IEP) team appointed by a nonresident school board to conduct a reevaluation of a pupil with a disability who is attending a private school under the SNSP in the nonresident school district. This would allow the district in which the school resides, when it is different than the family resident district, to perform the reevaluation.
16. Explicitly authorizes a private school that provides room and board to pupils who attend the school to participate in a choice program; allows the private school to charge pupils who attend the private school under the choice program to charge reasonable fees to pupils to recover the cost of providing room and board.

*Under current law, only items specified in statute such as school uniforms can be charged to the parents of a student on a voucher. The modification allows boarding schools to charge for room and board.*

17. Changes the annual deadline from January 15 to August 1 for a private school participating in a choice program to provide evidence to DPI that the school is accredited for the current school year.

*This modification allows DPI to verify closer to the school start date that a private school is in compliance.*

18. Eliminates the requirement that a private school participating in a choice program must annually provide information to DPI related to how many pupils attended the private school in the previous school year; eliminates the requirement that a private school must submit an updated operating budget to DPI by November 1 of the first school term in which the private school participates in the choice program.

*This modification eliminates the requirement for the private school to send an updated budget to DPI in their first year of operation after they have verified their student enrollment count. The proposed budget, due earlier in the year, used a speculative enrollment count.*

19. Changes GAAP financial audit mandate to only apply to participating private schools that received at least \$100,000 under the choice programs and SNSP.

*Under current law, all schools participating in a choice program must have a GAAP audit, regardless of size. The cost of a GAAP audit is not financially feasible for schools that have a limited number of choice students. Schools under the \$100,000 threshold are still required to undergo a modified audit to determine the educational cost, along with a fiscal and internal control practices audit and an enrollment audit.*

20. Allow up to 140 hours in a work-based learning program to count towards the required hours of instruction.

*Under current law, schools that offer work-based learning programs are not able to count any hours under those programs towards their required hours of instruction. This results in an unnecessarily long school day and school calendar.*

21. Allow schools that are participating in a choice program for the first time to submit either an anticipated budget or obtain a surety bond equal to 25% of the anticipated choice dollars. If a school chooses the budget option, DPI must determine if the school is financially viable by August 1. If a school chooses the surety bond, they must annually obtain a surety bond until the school receives a clean GAAP financial audit and fiscal and internal controls audit.

*Under current law, all schools must submit an anticipated budget. This change gives schools an option to prove financial viability in one of two ways. This provision mirrors the financial viability provision that exists for the SNSP.*

22. Changes the deadline for schools to file their summer school attendance report from October 1 to September 15.

23. Modifies when private schools need to submit certain school policies, board signatures and academic standards to DPI.

*Under current law, schools must annually submit policies, board signatures and academic standards to DPI. This provision eliminates unnecessary reporting by requiring the full submission when schools initially join the program and subsequently only when a change has been made or a new member joins the board.*

24. Allows families to transfer their student's WPCP verified application to a different school during a three-week period in August if they have moved since the preceding enrollment period. The participating school must have space and the pupil's resident district cap must not be exceeded.

*Under current law, there is only one WPCP application period. If a family moves over the summer, there is no mechanism for a student to obtain a voucher at another participating school until the following year, and then the grade entry points often prohibit them from applying at all. This modification allows a qualifying student to still participate in the program and not be penalized because of a move.*

25. Broadens what information schools cannot misrepresent to DPI. Under this bill, DPI can bar a school that intentionally and negligently misrepresents any information submitted to DPI.

*Current law already includes consequences for schools misrepresenting information relating to a school's financial viability or certificate of occupancy. This bill simply adds to the list of things that a school cannot misrepresent. The "intentionally and negligently" qualifier is added to ensure that a school that makes an honest mistake is not unfairly penalized.*