

Dear Governor Evers, Speaker Vos, and Majority Leader LeMahieu:

As business and education leaders, we have a keen interest in the state's K-12 education system, and its key role in developing talent for our economy. Given the recently announced increase in State reserves, we encourage you to invest a portion of the \$5.5 billion to support improved educational outcomes.

K-12 education is directly linked to one of the most important roles the state has, developing its citizens as lifelong learners, capable of adapting to the changing needs of our economy and our communities. As such, the state's budget surplus creates a historic opportunity to invest in our children and schools.

Making an investment in K-12 education, by utilizing a portion of the stated \$5.5B surplus could be accomplished in the following two ways:

1) An inflationary adjustment of \$343 per pupil

The last state budget did not provide a per-pupil increase for Wisconsin's K-12 schools including those public independent charter and schools and schools in the parental choice program. The addition of new, one-time federal Elementary and Secondary School Emergency Relief (ESSER) funds, were extremely helpful, but explicitly earmarked for pandemic-related learning losses. Schools are struggling to maintain current programming and retain crucially needed staff, challenges that will outlast the pandemic funding, and face the headwind of growing inflationary pressures.

According to information from the state's Legislative Fiscal Bureau, had the per-pupil indexing mechanism been in place for the 2021–2022 school year, students would have received a positive adjustment of \$342.82.

2) A 50% reimbursement rate to support students with disabilities

As noted by the Blue Ribbon Commission on School Funding and highlighted by research from the Wisconsin Policy Forum, Wisconsin continues to trail the nation in funding support for students with disabilities. Of all states with a reimbursement system, Wisconsin's rate of 28.18% is the country's lowest reimbursement rate. This funding flows to support students most in need, while ensuring the schools they attend have adequate resourcing to meet their needs.

The estimated investment for these initiatives would be less than \$700 million.

We believe these adjustments to school funding strike both a need and a balance. A need to invest in the quality of our K-12 education, with the rich return it provides in developing our future talent and the balance of maintaining the state's strong fiscal position.

Thank you again for your leadership, and we look forward to working together to secure this opportunity for Wisconsin's children.

Sincerely,