



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-4665/1
FFK:ajk/emw/cjs

2025 BILL

1 **AN ACT** *to repeal* 20.255 (2) (ab), 121.105 (5) and 121.91 (2m) (j) 2.; *to*
2 *renumber and amend* 121.91 (2m) (j) 2m.; *to amend* 20.255 (2) (ac), 118.40
3 (2r) (e) 2p. a., 121.905 (3) (c) 6., 121.905 (3) (c) 9., 121.91 (2m) (j) 3., 121.91 (2m)
4 (r) 1. b. and 121.91 (2m) (s) 1. b.; *to create* 20.255 (2) (ab), 121.105 (5) and
5 121.91 (2m) (j) 2m. b. of the statutes; **relating to:** general equalization aids,
6 supplemental hold harmless aid, the per pupil adjustment for school district
7 revenue limits, and making an appropriation.

Analysis by the Legislative Reference Bureau

Current law generally limits the total amount of revenue per pupil that a school district may receive from general school aids and property taxes in a school year to the amount of revenue allowed per pupil in the previous school year plus a per pupil adjustment, if any, as provided by law. Current law, which was upheld in *LeMieux v. Evers*, 2025 WI 12, provides an annual \$325 per pupil adjustment until 2425. Under this bill, beginning in the 2025-26 school year, the per pupil adjustment is the per pupil increase for the previous school year as adjusted for any increase in the consumer price index.

The bill also increases the amount of funding distributed to school districts as

BILL

SECTION 1

state aid through the equalization formula by \$493,800,000 in the 2025-26 school year and by \$699,900,000 in the 2026-27 school year. Under current law, a school district is guaranteed an amount of general equalization aid equal to at least 85 percent of the amount it received in the previous school year.

The bill also provides an additional \$31 million for additional aid to ensure that each school district receives total state aid in the 2025-26 school year in an amount that is no less than what it received in the 2024-25 school year. Specifically, under the bill, if the estimated total amount of state aid for a school district in the 2024-25 school year, as calculated on October 15, 2024, is greater than the estimated total amount of state aid for a school district in the 2025-26 school year, as calculated on October 15, 2025, the Department of Public Instruction must pay the school district additional state aid in an amount necessary to ensure the school district receives an amount of total state aid in the 2025-26 school year that is equal to the amount calculated on October 15, 2024. The additional aid is considered state aid for purposes of school district revenue limits.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place,
2 insert the following amounts for the purposes indicated:

	2025-26	2026-27
--	----------------	----------------

4 **20.255 Public instruction, department of**

5 (2) AIDS FOR LOCAL EDUCATIONAL PROGRAMMING

6 (ab) Supplemental hold harmless aid GPR A 31,000,000		0
--	--	---

7 **SECTION 2.** 20.255 (2) (ab) of the statutes is created to read:

8 20.255 (2) (ab) *Supplemental hold harmless aid.* The amounts in the
9 schedule for payments to school districts under s. 121.105 (5).

10 **SECTION 3.** 20.255 (2) (ab) of the statutes, as created by 2025 Wisconsin Act
11 (this act), is repealed.

12 **SECTION 4.** 20.255 (2) (ac) of the statutes is amended to read:

13 20.255 (2) (ac) *General equalization aids.* The amounts in the schedule for the

BILL**SECTION 4**

1 payment of educational aids under ss. 121.08, 121.09, 121.095, 121.105 (2) to (4),
2 121.137 and subch. VI of ch. 121.

3 **SECTION 5.** 118.40 (2r) (e) 2p. a. of the statutes, as affected by 2025 Wisconsin
4 Act 15, is amended to read:

5 118.40 **(2r)** (e) 2p. a. Add the amounts appropriated in the current fiscal year
6 under s. 20.255 (2), except s. 20.255 (2) (ab), (ac), (aw), (az), (bb), (dj), (du), (fc), (fm),
7 (fp), (fq), (fr), (fu), (k), and (m); and s. 20.505 (4) (es); and the amount, as determined
8 by the secretary of administration, of the appropriation under s. 20.505 (4) (s)
9 allocated for payments to telecommunications providers under contracts with
10 school districts and cooperative educational service agencies under s. 16.971 (13).

11 **SECTION 6.** 118.40 (2r) (e) 2p. a. of the statutes, as affected by 2025 Wisconsin
12 Acts 15 and (this act), is amended to read:

13 118.40 **(2r)** (e) 2p. a. Add the amounts appropriated in the current fiscal year
14 under s. 20.255 (2), except s. 20.255 (2) ~~(ab)~~, (ac), (aw), (az), (bb), (dj), (du), (fc), (fm),
15 (fp), (fq), (fr), (fu), (k), and (m); and s. 20.505 (4) (es); and the amount, as determined
16 by the secretary of administration, of the appropriation under s. 20.505 (4) (s)
17 allocated for payments to telecommunications providers under contracts with
18 school districts and cooperative educational service agencies under s. 16.971 (13).

19 **SECTION 7.** 121.105 (5) of the statutes is created to read:

20 121.105 **(5)** If the total amount of state aid calculated for a school district
21 under s. 121.15 (4) (b) on October 15, 2024, is greater than the total amount of state
22 aid calculated for the school district under s. 121.15 (4) (b) on October 15, 2025, the
23 department shall, from the appropriation under s. 20.255 (2) (ab), pay the school
24 district additional state aid in an amount necessary to ensure the school district

BILL**SECTION 7**

1 receives an amount of total state aid in the 2025-26 school year that is equal to the
2 amount calculated for the school district on October 15, 2024.

3 **SECTION 8.** 121.105 (5) of the statutes, as created by 2025 Wisconsin Act ...
4 (this act), is repealed.

5 **SECTION 9.** 121.905 (3) (c) 6. of the statutes is amended to read:

6 121.905 (3) (c) 6. For the limit for each of the 2015-16 to 2018-19 school years,
7 and for the 2021-22 school year, ~~and for any school year thereafter,~~ make no
8 adjustment to the result under par. (b).

9 **SECTION 10.** 121.905 (3) (c) 9. of the statutes is amended to read:

10 121.905 (3) (c) 9. For the limit for 2023-2425, add ~~\$325~~ the amount under s.
11 121.91 (2m) (j) 2m. to the result under par. (b).

12 **SECTION 11.** 121.91 (2m) (j) 2. of the statutes is repealed.

13 **SECTION 12.** 121.91 (2m) (j) 2m. of the statutes is renumbered 121.91 (2m) (j)
14 2m. a. and amended to read:

15 121.91 (2m) (j) 2m. a. ~~In~~ Subject to subd. 2m. b., in 2023-2425, add \$146 \$325.

16 **SECTION 13.** 121.91 (2m) (j) 2m. b. of the statutes is created to read:

17 121.91 (2m) (j) 2m. b. Beginning in the 2025-26 school year, multiply the
18 amount under subd. 2m. a. by the sum of 1.0 plus the allowable rate of increase
19 under s. 73.0305 expressed as a decimal.

20 **SECTION 14.** 121.91 (2m) (j) 3. of the statutes is amended to read:

21 121.91 (2m) (j) 3. Multiply the result under subd. ~~2. or 2m., whichever is~~
22 ~~applicable,~~ by the average of the number of pupils enrolled in the current school
23 year and the 2 preceding school years.

24 **SECTION 15.** 121.91 (2m) (r) 1. b. of the statutes is amended to read:

BILL**SECTION 15**

1 121.91 **(2m)** (r) 1. b. Add an amount equal to the amount of revenue increase
2 per pupil allowed under this subsection for the previous school year multiplied by
3 the sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a
4 decimal to the result under subd. 1. a., except that in calculating the limit for the
5 2013-14 school year and the 2014-15 school year, add \$75 to the result under subd.
6 1. a., in calculating the limit for the 2019-20 school year, add \$175 to the result
7 under subd. 1. a., in calculating the limit for the 2020-21 school year, add \$179 to
8 the result under subd. 1. a., and in calculating the limit for the 2023-24 school year
9 and ~~the 2024-25~~ each school year, ~~add \$325 thereafter, add the amount under par.~~
10 (j) 2m. for that school year to the result under subd. 1. a. In the 2015-16 to 2018-19
11 school years, the 2021-22 school year, and the 2022-23 school year, ~~the 2025-26~~
12 ~~school year, and any school year thereafter,~~ make no adjustment to the result under
13 subd. 1. a.

14 **SECTION 16.** 121.91 (2m) (s) 1. b. of the statutes is amended to read:

15 121.91 **(2m)** (s) 1. b. Add an amount equal to the amount of revenue increase
16 per pupil allowed under this subsection for the previous school year multiplied by
17 the sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a
18 decimal to the result under subd. 1. a., except that in calculating the limit for the
19 2013-14 school year and the 2014-15 school year, add \$75 to the result under subd.
20 1. a., in calculating the limit for the 2019-20 school year, add \$175 to the result
21 under subd. 1. a., in calculating the limit for the 2020-21 school year, add \$179 to
22 the result under subd. 1. a., and in calculating the limit for the 2023-24 school year
23 and ~~the 2024-25~~ each school year, ~~add \$325 thereafter, add the amount under par.~~
24 (j) 2m. for that school year to the result under subd. 1. a. In the 2015-16 to 2018-19

BILL**SECTION 16**

1 school years, the 2021-22 school year, and the 2022-23 school year, ~~the 2025-26~~
2 ~~school year, and any school year thereafter,~~ make no adjustment to the result under
3 subd. 1. a.

4 **SECTION 17. Fiscal changes.**

5 (1) GENERAL SCHOOL AIDS. In the schedule under s. 20.005 (3) for the
6 appropriation to the department of public instruction under s. 20.255 (2) (ac), the
7 dollar amount for fiscal year 2025-26 is increased by \$493,800,000 and the dollar
8 amount for fiscal year 2026-27 is increased by \$699,900,000.

9 **SECTION 18. Effective dates.** This act takes effect on the day after
10 publication, except as follows:

11 (1) The treatment of s. 118.40 (2r) (e) 2p. a. (by SECTION 6) and the repeal of
12 ss. 20.255 (2) (ab) and 121.105 (5) take effect on July 1, 2026.

13 **(END)**