



Wisconsin Alliance
for Excellent Schools

WAES Overview of the Final Report of the Governor's Task Force on Educational Excellence

Most of the Task Force's 40 recommendations fall into three large areas:

1. Moving toward Adequacy within the existing equalization system

This has received little media attention, but may have the most long-term impact in the classroom. The Task Force decided to remain with the current equalization system, but to adjust it to include, among other things:

- a. Something very similar to an Adequacy foundation level [Specifically, the recommendation is to conduct an Adequacy cost out to determine the cost of an education that meets state standards. This figure would then replace the "low revenue ceiling" in the equalization formula. This would mean that all districts spending below this level would have automatic revenue limit authority to go up to that level.]
- b. Increased categorical aids for students with disabilities, students who are English-language learners, students in schools with concentrations of poverty; increased categorical aid for transportation (of special importance to rural districts); and support for a variety of programs to increase educational opportunities for low-income students and students of color.

WAES reaction: This is a very constructive move toward Adequacy goals. Though the Task Force's decision to stick with the current equalization aid system, rather than convert to a foundation system, is disappointing, it has integrated Adequacy notions into the equalization system. And while significant increases in categorical aid were recommended, they fall well short of the level ultimately needed to give all students an equal opportunity to meet state standards.

2. Increasing state responsibility for education and reducing the school property tax

This has received the most publicity among the Task Force recommendations. The idea has three components:

- a. Increasing the state sales tax by about \$1.5 billion, by raising the rate from 5% to 6% and expanding the tax to cover a range of consumer and business services.
- b. Using about \$1.4 billion of the sales tax revenue to reduce school property taxes. On average, school property taxes would drop about 40%, though some high-property districts would see no reduction.
- c. Using up to about \$100 million of the sales tax revenue for a sales tax credit (either an expanded Homestead Credit or a new credit), targeted at lower-income tax payers in order to offset the regressive nature of the sales tax increase.

WAES reaction: WAES applauds the call for the state to take more responsibility for funding public education; the Task Force's willingness to call for an increase in a major state tax; its call for substantial cuts in school property taxes; and its insistence that an increase in the sales tax be accompanied by targeted tax credits to offset the regressivity of the sales tax. WAES is disappointed that none of the increased sales tax revenue would be used for education, but would all go for tax relief.

3. Freeing teachers from the QEO

The Qualified Economic Offer (QEO) restricts the bargaining rights of teachers. Eliminating it removes a major source of teacher resentment, but more importantly (according to the Task Force) would encourage a new bargaining environment which would make it easier to reach two goals:

- a. Hold down the rate of increase in health care insurance;
- b. Link increases in teacher compensation more to acquisition of demonstrated teaching skills than to seniority and graduate education.

WAES reaction: Abolishing the QEO is an important step toward improving public education in Wisconsin. WAES is pleased that both union and employer representatives on the Task Force believe that the new bargaining environment will encourage creative bargaining both on health insurance and on teacher compensation. At the same time, WAES is disappointed that the repeal of the QEO is not accompanied by some corresponding relaxation of the revenue limits.