



## 2025 ASSEMBLY BILL 835

January 6, 2026 - Introduced by Representatives VINING, HONG, CRUZ, PHELPS, SHEEHAN, ARNEY, BARE, CLANCY, DESANTO, DESMIDT, GOODWIN, HYSELL, JOERS, JOHNSON, KIRSCH, MADISON, MIRESSÉ, MOORE OMOKUNDE, PRADO, SINICKI, SUBECK, TENORIO and UDELL, cosponsored by Senators ROYS, LARSON and RATCLIFF. Referred to Committee on Education.

1     **AN ACT to amend** 20.255 (2) (b), 115.882, 121.905 (3) (c) 6., 121.905 (3) (c) 9.,  
2           121.91 (2m) (i) (intro.), 121.91 (2m) (j) (intro.), 121.91 (2m) (j) 2m., 121.91 (2m)  
3           (r) 1. (intro.), 121.91 (2m) (r) 1. b., 121.91 (2m) (r) 2. (intro.), 121.91 (2m) (r) 2.  
4           a., 121.91 (2m) (r) 2. b., 121.91 (2m) (s) 1. (intro.), 121.91 (2m) (s) 1. b., 121.91  
5           (2m) (s) 2. (intro.), 121.91 (2m) (s) 2. a., 121.91 (2m) (s) 2. b. and 121.91 (2m) (t)  
6           1. (intro.); **to create** 20.235 (1) (cd), 39.52, 121.905 (3) (c) 10. and 121.91 (2m)  
7           (k) of the statutes; **relating to:** grants for students enrolled in teacher  
8           education programs, school district revenue limits, the reimbursement rate for  
9           special education costs, and making an appropriation.

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### *Analysis by the Legislative Reference Bureau*

#### **SCHOOL DISTRICT REVENUE LIMITS**

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

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per pupil adjustment, if any, as provided by law. Until 2425, current law provides a \$325 per pupil adjustment in each school year. Under the bill, beginning in the 2026-27 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.

**REIMBURSEMENT FOR SPECIAL EDUCATION COSTS**

The bill also changes the rate at which the state reimburses school boards, operators of independent charter schools, cooperative educational service agencies (CESAs), and county children with disabilities education boards (CCDEBs) for costs incurred to provide special education and related services to children with disabilities and for school age parents programs (eligible costs). Under current law, the state reimburses the full cost of special education for children in hospitals and convalescent homes for orthopedically disabled children. After those costs are paid, the state reimburses remaining eligible costs from the amount remaining in the appropriation account at a rate that distributes the full amount appropriated. The Legislative Fiscal Bureau estimates that the reimbursement rate will be 42 percent in the 2025-26 school year and 45 percent in the 2026-27 school year.

The bill changes the appropriation to a sum sufficient and provides that, beginning in the 2025-26 school year, after full payment of hospital and convalescent home costs, the remaining costs are reimbursed at 90 percent of eligible costs.

Currently, the Department of Public Instruction provides 1) special education aid to school districts, independent charter schools, CESAs, and CCDEBs; 2) aid to school districts, CESAs, and CCDEBs for providing physical or mental health treatment services to private school and tribal school pupils; and 3) aid for school age parents programs to school districts only.

**TEACHER PREPARATORY PROGRAM GRANT PROGRAM**

Finally, the bill creates a grant program administered by the Higher Educational Aids Board under which HEAB awards grants to students enrolled in the teacher preparatory program of an institution of higher education. Grant moneys may be used to pay 1) the student's tuition and fees and 2) any expense incurred in connection with obtaining a license to teach issued by the Department of Public Instruction, including any examination or licensing fee. However, the grant amount for the payment of tuition and fees is limited to the amount of tuition and segregated fees charged to a resident undergraduate student at the University of Wisconsin-Madison for an equivalent program. HEAB also may not award a grant to a student unless the student enters into a written agreement to work in this state as a teacher in an elementary or secondary school for at least four years after receiving a bachelor's degree.

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

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**ASSEMBLY BILL 835****SECTION 4**

1 (b) "Tribal school" has the meaning given in s. 115.001 (15m).

2 (2) (a) Subject to par. (b) and sub. (3), from the appropriation under s. 20.235  
3 (1) (cd), the board may award grants to students enrolled in the teacher preparatory  
4 program of an institution of higher education to pay for any of the following:

5 1. Tuition and fees charged by the institution of higher education.

6 2. Any expense incurred in connection with obtaining a license to teach issued  
7 by the department of public instruction, including any examination or licensing fee.

8 (b) The amount of a grant awarded under par. (a) for the payment of tuition  
9 and fees may not exceed the amount of academic fees plus segregated fees charged  
10 to a resident undergraduate student at the University of Wisconsin-Madison  
11 enrolled in an equivalent program for an equivalent term.

12 (3) The board may not award a grant under sub. (2) (a) to a student unless the  
13 student enters into a written agreement in which the student commits to working  
14 in this state as a teacher in a public or private elementary or secondary school or  
15 tribal school for at least 4 years after the student receives a bachelor's degree.

16 **SECTION 5.** 115.882 of the statutes is amended to read:

17 **115.882 Payment of state aid; reimbursement rate.** ~~Funds appropriated~~  
18 ~~under s. 20.255 (2) (b) shall be used first for the purpose of s. 115.88 (4). Costs In~~  
19 the 2025-26 school year and in each school year thereafter, costs eligible for  
20 reimbursement from the appropriation under s. 20.255 (2) (b) under ss. 115.88 (1m)  
21 to (3), (6), and (8), 115.93, and 118.255 (4) shall be reimbursed at ~~a rate set to~~  
22 ~~distribute the full amount appropriated for reimbursement for the costs, not to~~  
23 ~~exceed 100 percent~~ 90 percent of eligible costs.

**ASSEMBLY BILL 835****SECTION 6**

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

2           121.905 (3) (c) 6. For the limit for each of the 2015-16 to 2018-19 school years,  
3           ~~for the 2021-22 school year, and for any the 2022-23 school year thereafter,~~ make no  
4           adjustment to the result under par. (b).

5           **SECTION 7.** 121.905 (3) (c) 9. of the statutes is amended to read:

6           121.905 (3) (c) 9. For the limit for ~~2023-2425~~ the 2024-25 to 2025-26 school  
7           years, add \$325 to the result under par. (b).

8           **SECTION 8.** 121.905 (3) (c) 10. of the statutes is created to read:

9           121.905 (3) (c) 10. For the limit for the 2026-27 school year and any school  
10          year thereafter, add the result under s. 121.91 (2m) (k) 2. to the result under par.  
11          (b).

12          **SECTION 9.** 121.91 (2m) (i) (intro.) of the statutes is amended to read:

13          121.91 (2m) (i) (intro.) Except as provided in subs. (3), (4), and (8), no school  
14          district may increase its revenues for any of the 2015-16 to 2025-26 school year ~~or~~  
15          ~~for any school year thereafter~~ years to an amount that exceeds the amount  
16          calculated as follows:

17          **SECTION 10.** 121.91 (2m) (j) (intro.) of the statutes is amended to read:

18          121.91 (2m) (j) (intro.) Notwithstanding par. (i) and except as provided in  
19          subs. (3), (4), and (8), a school district cannot increase its revenues for each of the  
20          ~~2020-21 school year year 2425~~ 2025-26 school years to an amount that exceeds  
21          the amount calculated as follows:

22          **SECTION 11.** 121.91 (2m) (j) 2m. of the statutes is amended to read:

23          121.91 (2m) (j) 2m. In the 2023-2425 24 to 2025-26 school years, add \$146.

**ASSEMBLY BILL 835****SECTION 12**

1           **SECTION 12.** 121.91 (2m) (k) of the statutes is created to read:

2           121.91 **(2m)** (k) Except as provided in subs. (3), (4), and (8), no school district  
3 may increase its revenues for the 2026-27 school year or for any school year  
4 thereafter to an amount that exceeds the amount calculated as follows:

5           1. Divide the sum of the amount of state aid received in the previous school  
6 year and property taxes levied for the previous school year, excluding property  
7 taxes levied for the purpose of s. 120.13 (19) and excluding funds described under  
8 sub. (4) (c), by the average of the number of pupils enrolled in the 3 previous school  
9 years.

10           2. Multiply the amount of the revenue increase per pupil allowed under this  
11 subsection for the previous school year by the sum of 1.0 plus the allowable rate of  
12 increase under s. 73.0305 expressed as a decimal.

13           3. Add the result under subd. 1. to the result under subd. 2.

14           4. Multiply the result under subd. 3. by the average of the number of pupils  
15 enrolled in the current and the 2 preceding school years.

16           **SECTION 13.** 121.91 (2m) (r) 1. (intro.) of the statutes is amended to read:

17           121.91 **(2m)** (r) 1. (intro.) Notwithstanding ~~pars. (i) to (j)~~ par. (k), if a school  
18 district is created under s. 117.105, its revenue limit under this section for the  
19 school year beginning with the effective date of the reorganization shall be  
20 determined as follows except as provided under subs. (3) and (4):

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

22           121.91 **(2m)** (r) 1. b. Add an amount equal to the amount of revenue increase  
23 per pupil allowed under this subsection for the previous school year multiplied by

**ASSEMBLY BILL 835****SECTION 14**

1 the sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a  
2 decimal to the result under subd. 1. a., ~~except that in calculating the limit for the~~  
3 ~~2013-14 school year and the 2014-15 school year, add \$75 to the result under subd.~~  
4 ~~1. a., in calculating the limit for the 2019-20 school year, add \$175 to the result~~  
5 ~~under subd. 1. a., in calculating the limit for the 2020-21 school year, add \$179 to~~  
6 ~~the result under subd. 1. a., and in calculating the limit for the 2023-24 school year~~  
7 ~~and the 2024-25 school year, add \$325 to the result under subd. 1. a. In the 2015-16~~  
8 ~~to 2018-19 school years, the 2021-22 school year, the 2022-23 school year, the 2025-~~  
9 ~~26 school year, and any school year thereafter, make no adjustment to the result~~  
10 ~~under subd. 1. a.~~

11 **SECTION 15.** 121.91 (2m) (r) 2. (intro.) of the statutes is amended to read:

12 121.91 **(2m)** (r) 2. (intro.) If a school district is created under s. 117.105, the  
13 following adjustments to the calculations under ~~pars. (i) to (j)~~ par. (k) apply for the  
14 2 school years beginning on the July 1 following the effective date of the  
15 reorganization:

16 **SECTION 16.** 121.91 (2m) (r) 2. a. of the statutes is amended to read:

17 121.91 **(2m)** (r) 2. a. For the school year beginning on the first July 1 following  
18 the effective date of the reorganization the number of pupils in the previous school  
19 year shall be used under ~~pars. (i) 1., (im) 1. and (j) par. (k) 1.~~ par. (k) 1. instead of the average  
20 of the number of pupils in the 3 previous school years, and for the school year  
21 beginning on the 2nd July 1 following the effective date of the reorganization the  
22 average of the number of pupils in the 2 previous school years shall be used under

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1 ~~pars. (i) 1., (im) 1. and (j) par. (k) 1.~~ instead of the average of the number of pupils in  
2 the 3 previous school years.

3 **SECTION 17.** 121.91 (2m) (r) 2. b. of the statutes is amended to read:

4 121.91 **(2m)** (r) 2. b. For the school year beginning on the first July 1 following  
5 the effective date of the reorganization the average of the number of pupils in the  
6 current and the previous school years shall be used under ~~pars. (i) 2. and (j) 3. par.~~  
7 (k) 4. instead of the average of the number of pupils in the current and the 2  
8 preceding school years.

9 **SECTION 18.** 121.91 (2m) (s) 1. (intro.) of the statutes is amended to read:

10 121.91 **(2m)** (s) 1. (intro.) Notwithstanding ~~pars. (i) to (j) par. (k),~~ if territory is  
11 detached from a school district to create a new school district under s. 117.105, the  
12 revenue limit under this section of the school district from which territory is  
13 detached for the school year beginning with the effective date of the reorganization  
14 shall be determined as follows except as provided in subs. (3) and (4):

15 **SECTION 19.** 121.91 (2m) (s) 1. b. of the statutes is amended to read:

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

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1 ~~and the 2024-25 school year, add \$325 to the result under subd. 1. a. In the 2015-16~~  
2 ~~to 2018-19 school years, the 2021-22 school year, the 2022-23 school year, the 2025-~~  
3 ~~26 school year, and any school year thereafter, make no adjustment to the result~~  
4 ~~under subd. 1. a.~~

5 **SECTION 20.** 121.91 (2m) (s) 2. (intro.) of the statutes is amended to read:

6 121.91 **(2m)** (s) 2. (intro.) If territory is detached from a school district to  
7 create a new school district under s. 117.105, the following adjustments to the  
8 calculations under ~~pars. (i) to (j)~~ par. (k) apply to the school district from which  
9 territory is detached for the 2 school years beginning on the July 1 following the  
10 effective date of the reorganization:

11 **SECTION 21.** 121.91 (2m) (s) 2. a. of the statutes is amended to read:

12 121.91 **(2m)** (s) 2. a. For the school year beginning on the first July 1 following  
13 the effective date of the reorganization, the number of pupils in the previous school  
14 year shall be used under ~~pars. (i) 1., (im) 1., and (j) par. (k) 1.~~ instead of the average  
15 of the number of pupils in the 3 previous school years; and for the school year  
16 beginning on the 2nd July 1 following the effective date of the reorganization, the  
17 average of the number of pupils in the 2 previous school years shall be used under  
18 ~~pars. (i) 1., (im) 1., and (j) par. (k) 1.~~ instead of the average of the number of pupils  
19 in the 3 previous school years.

20 **SECTION 22.** 121.91 (2m) (s) 2. b. of the statutes is amended to read:

21 121.91 **(2m)** (s) 2. b. For the school year beginning on the first July 1 following  
22 the effective date of the reorganization the average of the number of pupils in the  
23 current and the previous school year shall be used under ~~pars. (i) 2. and (j) 3.~~ par.

**ASSEMBLY BILL 835****SECTION 22**

1 (k) 4. instead of the average of the number of pupils in the current and the 2  
2 preceding school years.

3 **SECTION 23.** 121.91 (2m) (t) 1. (intro.) of the statutes is amended to read:

4 121.91 **(2m)** (t) 1. (intro.) If 2 or more school districts are consolidated under  
5 s. 117.08 or 117.09, ~~in the 2019-20 school year, the consolidated school district's~~  
6 ~~revenue limit shall be determined as provided under par. (im),~~ in the 2020-21 school  
7 year, ~~2023 year 2425, the consolidated school district's revenue limit shall be~~  
8 ~~determined as provided under par. (j),~~ and in each school year thereafter, the  
9 consolidated school district's revenue limit shall be determined as provided under  
10 par. ~~(i)~~ (k), except as follows:

11 **(END)**