http://newiprogressive.com/images/stories/S5/school-bus-kids-s5.jpg



Sen. Kathleen Vinehout examines the lack of foresight in the budget just passed by the legislature and how it relates to three major issues – education, transportation and shared revenue.

MADISON - “Policy is who pays, who doesn’t pay and where the money gets spent,” said the President of the NAACP in a recent speech.

Policy making was center stage at the State Capitol when the long delayed $76 billion two-year state budget was rushed to passage just days after a majority of lawmakers voted to give a Taiwan billionaire $3 billion in state subsidies.

Budgets are about choices. Budget writers this year chose to leave major problems for the next budget writers.

Education is the most important job state government does. For years, lawmakers on both sides of the aisle agreed the state’s school funding formula was broken.

This budget, there were enough funds to change the formula. Efforts to do so were voted down. Instead, more state dollars were spent on vouchers for unaccountable private schools.

Under this budget, private schools will receive $8,396 a year in state taxpayer money for a high school student. Public schools would receive $6,671 for the same student. These estimates are detailed in a memo from the nonpartisan Legislative Fiscal Bureau.

The total cost of an average public-school student is a little over $11,000. Most of the difference comes from local property taxes. Remember, these numbers are averages. Many of our local districts receive much less than the state average of $6,671.



Particularly hurt by the formula are small rural schools. There is a fundamental disconnect between what drives school revenue – the number of students - and what drives expenses – the cost structure. For example, if three students leave a class of 20, the district revenue is cut by 15%. But the cost of teaching a class of 17 is almost the same as teaching a class of 20.

Other problems exist. The formula assumes all children cost the same to educate. But children who are in poverty or are English Language Learners, for example, cost more to educate. Costs also vary with the size of districts.

The solution by majority lawmakers was to add money outside the broken formula instead of fixing the formula. This increases the inequity between school districts and makes fixing the problem later more difficult.

Fixing transportation was also left for the writers of the next budget. Instead of adding sustainable funding sources, budget writers cut 253 positions from the Department of Transportation (DOT). A few years ago, the former DOT Secretary added positions arguing engineering costs decrease when work is done by in-house engineers rather than by consulting

firms. A recent audit by the nonpartisan Legislative Audit Bureau confirmed that conclusion.

The transportation budget was “balanced” in part by lowering inflation estimates. Which made me wonder since DOT in the past has underestimated inflation when anticipating costs.



Potholes and locals turning asphalt roads back to gravel are the result of past state budget decisions that are not fixed in this budget. In the past six years, local road aid has been underfunded. After steady increases to keep up with inflation – even during the recession – the 2011 budget cut over 9% out of county road aid. All but one of the following years saw no increase at all. This budget includes an increase, but nothing near what is needed to make up for past cuts and inflation.

An even worse pattern exists in the general funding of local government. It’s budget time for local communities. But counties and cities do not have the money to keep up with expenses. Recently, a county board chair shared that department budget requests far exceeded a miniscule increase in expected revenue.

Over the past sixteen years, there has been a 20% decrease in state dollars given to locals in what we call “shared revenue.” In the same time period Wisconsin has seen a 56% increase in the state budget. I’d say the state has not done a good job of sharing. No wonder county and city services are being cut back.

The budget has passed, but the problems in local communities have not been addressed. Roads aren’t getting repaired, people aren’t getting mental health placements, referenda are being passed to keep the lights on at local schools. A lot of heavy lifting has been passed on to

whoever will be writing the next budget.