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

Historic reductions in state aid to schools and Madison imposed revenue limits have left cash strapped local schools with no alternative but referenda to fund operations.

ALMA, WI - “Is the strategy in the state to move all funding for schools to the local level?” a local school official asked me.

I hesitated. No one in Madison – that I know – intentionally wanted to increase property taxes. However, one result of historic state cuts to schools is an increase in property taxes.

Ironically, taxpayers themselves are voting by way of referenda to raise their property taxes. But they are doing so because state law has left cash-strapped schools no other options.

Schools are under strict state imposed revenue caps. They cannot just raise local taxes to offset less state aid, but voters can override the revenue cap by passing a referendum to raise property taxes.

Many communities are voting to approve school referenda. According to Department of Public Instruction records, voters are on track to consider over 100 different school referenda in 2016.

The process is not new. However, twenty-five years ago the reason voters passed a school referendum was to borrow money for construction projects, for example to build a new school.

About ten years ago, school referenda for operating costs – the routine expense of running the school – began to replace debt as the majority of referenda in our state.

Even as school boards sought money from taxpayers to operate schools, actually passing the referenda a decade ago was roughly a 50-50 chance.

Now voters approved 78% of all school referenda. Referenda specifically to increase taxes to pay for school operating costs passed at a rate of 82% this year.

Many of us just wrote a check for the second half of our property taxes due the end of July. The memory of a big check you wrote may be fresh in your mind.

Property tax is the largest single tax we pay in Wisconsin. The state uses the value of property to determine how much state aid your local school district receives. The higher local property values the less aid your district gets from the state.

Many of you may remember Governor Tommy Thompson's promise about state school aid back in the mid-1990s. Thompson promised that two-thirds of the school costs would be picked up by the state.

He then gained legislative support for over $1 billion new state dollars for schools. This action had a direct impact on property taxes. In tax year 1996, the school portion of property taxes dropped by 16% leading to a decline in overall property taxes of over 6%.

Today the state contributes almost half of the money for local schools – well short of the two-thirds funding from years ago. For taxes paid this year (2015 tax year), overall property taxes increased 2.3% to the highest level – $10.6 billion – in the history of our state.

When the referenda passed this year kick in, next year's property taxes in those districts will be higher.

With eight out of ten referenda passing, and state school aid below 2006 levels, I find it not surprising that people suspect state lawmakers are going to put the whole cost of schools on local tax payers.

Many Wisconsin residents look to Minnesota and see that the state contributes almost 70% of the total aid for schools. Property taxpayers in Minnesota only contribute one quarter of all school costs. Wisconsinites say if Minnesota can do it, why can't Wisconsin.

To substantially lower property taxes in Wisconsin the state would need to contribute a much larger portion of school costs.

Many of my colleagues say the price tag on school funding reform is just too high. But, without increases in school state aid, property taxes are just too high.

We can solve our school funding problems at the state level. I did the math. I constructed an alternative budget that fully funded State Superintendent Tony Evers' Fair Funding for our Future, which would reform our school funding formula.

Property taxpayers are committed to their local schools but cannot continue to pick up more of the costs of school. The solution requires a commitment by lawmakers to adequately fund public education – for the sake of property taxpayers and our children's future.

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There was a time when the state provided two-thirds of school funding but that level of support has eroded over the years. Property taxpayers are committed to their schools but cannot continue to pick up more of the costs. Kathleen notes that she created an alternative budget that fully funds State Superintendent Tony Evers' Fair Funding for our Future. A commitment by lawmakers to adequately fund schools would reduce the burden on property taxpayers.