

TO: Members of the Wisconsin State Legislature  
FR: Scott Walker, Milwaukee County Executive  
DT: Friday, February 4, 2005  
RE: Assembly Bill 3 – Lifting the Cap on the Milwaukee Parental Choice Program

The debate over passage of Assembly Bill 3 and the potential impact of lifting the cap on the number of pupils enrolled in the Milwaukee Parental Choice Program for the 2005/2006 school year heated up as assumptions were made about the potential impact on the Milwaukee Public Schools (MPS) system and property taxpayers in the City of Milwaukee. Besides the dramatically important impact this legislation will have on lives of students and families in Milwaukee, it is also appropriate to look at the numbers in the proper context.

The fiscal estimate provided for Assembly Bill 3 suggests that if 1,500 more students enrolled in the 2005/2006 school year in the Milwaukee Parental Choice Program the impact on the Milwaukee system would be \$4,011,525. What is ironic to note is that many of those who raise concerns about this amount were silent when Governor Jim Doyle's 2003/2005 state budget cut the percentage of state aid to the MPS at a much greater amount.

**According to the Legislative Fiscal Bureau, MPS would receive \$7.5 million more in 2003/2004 and \$18.7 million more in 2004/2005 if the state had maintained the two-thirds commitment to school costs.** In 2002, then Attorney General Doyle said that he supported maintaining that commitment and so many school districts made spending decisions based on that belief after the election.

In 2003, however, Governor Doyle signed off on a state budget that cut the level of state support for schools to 63.75% for the 2004/2005 school year. If the state kept the two-thirds commitment, overall school aid would be up by \$122.8 million in 2003/2004 and up by \$250.4 million in 2004/2005.

Needless to say, MPS would be in a much better position to absorb any change in the caps if the Governor had maintained the two-third commitment to fund school costs. Specifically, the district would have \$26.2 million more available over the past two years that would not have to come from the tax levy. That is considerably more than the \$4 million mentioned in the fiscal estimate for Assembly Bill 3.