



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-5695/1

KMS:wlj

2025 BILL

1 **AN ACT to amend** 20.255 (2) (b) and 115.882 of the statutes; **relating to:** the
2 reimbursement rate for special education costs and school age parents
3 programs and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill 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 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, in the 2025-26 school year, after full payment of hospital and convalescent home costs, the remaining costs are reimbursed at 42 percent of eligible costs, and in the 2026-27 school year and each school year thereafter, after full payment of hospital and convalescent home costs, the remaining costs are reimbursed at 45 percent of eligible costs.

BILL**SECTION 1**

Currently, DPI 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.

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

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 20.255 (2) (b) of the statutes is amended to read:

20.255 (2) (b) *Aids for special education and school age parents programs.* ~~The amounts in the schedule~~ A sum sufficient for the payment of the full cost of special education for children in hospitals and convalescent homes under s. 115.88 (4) and for the payment of aids for special education and school age parents programs under ss. 115.88, 115.93 and 118.255 as provided under s. 115.882.

SECTION 2. 115.882 of the statutes is amended to read:

115.882 Payment of state aid; reimbursement rate. ~~Funds appropriated under s. 20.255 (2) (b) shall be used first for the purpose of s. 115.88 (4). Costs~~ In the 2025-26 school year, costs eligible for reimbursement from the appropriation under s. 20.255 (2) (b) under ss. 115.88 (1m) to (3), (6), and (8), 115.93, and 118.255 (4) shall be reimbursed at a rate set to distribute the full amount appropriated for reimbursement for the costs, not to exceed 100 percent 42 percent of eligible costs. In the 2026-27 school year and in each school year thereafter, costs eligible for reimbursement from the appropriation under s. 20.255 (2) (b) under ss. 115.88 (1m) to (3), (6), and (8), 115.93, and 118.255 (4) shall be reimbursed at 45 percent of eligible costs.

(END)