**Fiscal Facts: K-12 Referenda Passage Rates Fall**

While still passing in sizable numbers in the April 2023 election, local ballot referenda to allow school districts to exceed state property tax limits passed at the lowest rate since 2010. The decline comes after years in which such measures were passed in record numbers and amounts.

Of the 83 referenda seeking to increase local property taxes for K-12 schools, 46 were approved by voters, or 55.4%. Referenda to finance capital projects passed at a higher rate than the two types of measures to finance districts’ ongoing operations.

All three types, however, passed at lower rates than last year, and the overall passage rate represented a notable drop from last year’s approval rate of 80.1%.

Taking a longer-term view, since 2010, a Wisconsin Policy Forum analysis found larger shares of urban and declining enrollment districts have approved operating referenda. A larger share of low-income districts also approved such measures relative to high-income districts -- raising concerns about which communities feel the most pressure to pursue ballot measures.

Since 1993, K-12 school districts in Wisconsin have been subject to state-imposed limits on the amount of revenue they can raise from state general school aids and local property taxes combined. Since 2011, these per-pupil revenue limits have not kept pace with inflation, and in the current 2021-23 state budget they were frozen for both years.

In recent years, that has prompted a groundswell of school referenda in which voters have opted to increase district spending and their local property taxes by more than what the revenue limits would otherwise allow.

Also on the April ballot were referenda to increase municipal, town, or county property taxes beyond state-imposed caps. The state generally limits these yearly property tax increases used for operations to the rate of increase of net new construction within each jurisdiction. Voters have also been voting in increasing numbers in recent years on local referenda to exceed these limits.

Of the 25 referenda on the ballot to increase levy limits for towns, villages, cities, and one county, 10 passed, or 40%. Eighteen of the 25 referenda said the funds would be used at least in part for police, fire protection, and other public safety services, with emergency medical services and streets being the next two most common purposes.

For years, the Forum has warned that a heavy reliance on referenda to fund local services could exacerbate disparities between wealthy communities (whose residents can afford to approve them) and other communities that cannot.

The Forum does not advocate specific policies, but we've noted the state’s massive surplus represents a “golden opportunity” to tackle big issues. We’ve also pointed out some of the ways the state might incentivize local governments to find efficiencies by working together to share services.

*This information is a service of the Wisconsin Policy Forum, the state’s leading resource for nonpartisan state and local government research and civic education. Learn more at* [*wispolicyforum.org*](https://wispolicyforum.org/research/state-tax-burden-up-but-overall-burden-still-falling/)*.*