

VOTERS APPROVE MAJORITY OF REFERENDA EVEN AS "RETRY" EFFORTS INCREASE

A majority of school district referenda across this year's February and April elections were approved by Wisconsin voters. Higher dollar amounts and more operating questions are being asked of voters each year, and many efforts are also second, third, or fourth attempts by districts to get a similar measure approved, speaking to the financial and political pressures faced by Wisconsin's schools.

cross 94 ballot questions this February and April, unofficial election results show Wisconsin voters approved 53 school district referenda. These ballot initiatives ask voters to raise their own property taxes to pay for day-to-day school district operations – on either a temporary or permanent basis – or to pay down debt used to finance building and renovation projects.

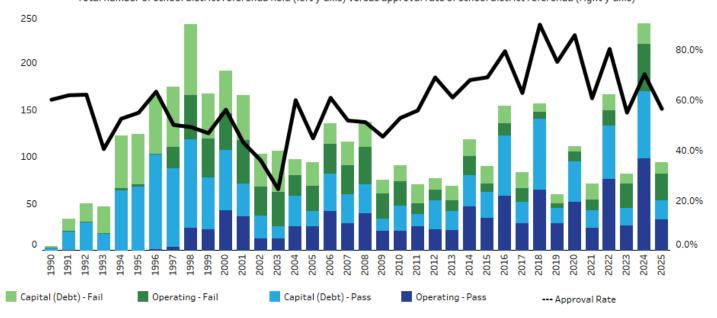
The 56.4% rate of approval represents a slight increase over the 54.9% of referenda approved in 2023; approval rates tend to be lower in odd-numbered years when midterm and presidential elections are not on the ballot. The 94 questions asked of voters this year,

however, is the most in an odd-numbered year since 2007, and the 62 operating referenda are the most in an off-year since 2001 (see Figure 1). This follows a record-setting 148 operating referendum questions posed to voters in 2024.

Wisconsin Policy Forum analysis also shows that 36 of this year's referenda were "retries" of previously failed questions. In this piece, we define a referendum "retry" as an instance in which a district's ballot measure fails, and the district goes back to referendum within two years for the same purpose (i.e., operating or capital). Should a retry fail, we also consider subsequent efforts

Figure 1: Most Off-Year Referenda Held Since 2007; Approval Rates Increase Slightly Over 2023

Total number of school district referenda held (left y-axis) versus approval rate of school district referenda (right y-axis)



Sources: Wisconsin Department of Public Instruction, Wisconsin county elections websites. Note: approval rates tend to be higher in midterm and presidential election years.

within two years to be ongoing retries. We find that 17, or just under half, of these retry questions were successful.

2025 RESULTS SHOW MIXED TRENDS

Though the 56.4% passage rate of referenda this year is an increase from 2023, it is otherwise the lowest in a non-presidential or midterm election year since 2011, continuing a trend toward lower approval rates since they peaked in 2018 and 2019. Last fall, we noted the lower approval rates were in line with polling from the Marquette University Law School that showed voters favoring "reducing property taxes" over "increasing spending on public schools." In February of this year, only 41% of voters favored increasing spending on public schools, the lowest share since the question was first asked in 2013.

Of the 10 largest referenda by dollar amount, only three passed: those in Oshkosh, Racine, and Port Washington-Saukville. Arrowhead, Kenosha, Sheboygan Falls, Beloit, and Fond du Lac were among the larger districts in which voters rejected referenda this spring.

Still, \$950.8 million in new funds for school districts were approved – the most in an off-year election since 1990 – including \$441.7 million for operations and \$509.1 million to pay down debt for capital projects (see Figure 2).

DISTRICTS WILLING TO RETRY REFERENDA, PARTICULARLY FOR OPERATIONS

As mentioned previously, Forum analysis shows that 36 of this year's 94 district referenda met our definition of retries of previously failed questions. When a referendum question fails, a district might choose to go back to voters at a later date with a similar request. The district may lower the dollar amount sought or otherwise change the question; in the case of a capital referendum, the district may ask for fewer or different capital projects, or split the original multi-part request into smaller parts.

This year, 25 of the 62 operating referenda on ballots were retries; of those, 12 passed. Only 11 debt retry questions were on ballots, including efforts in Spring Valley (both passed) and Wautoma (both failed) that were split out into multiple questions. Five of the 11 debt retry questions succeeded. Notable retries included Arrowhead Union High School failing to pass a \$136.2 million campus consolidation effort after a failed \$261.2 million vote last fall, as well as the Mauston School District passing an operating referendum on the third try after telling voters the district would have to dissolve if it did not pass.

Our analysis finds that referendum retries are not uncommon. In fact, of the 1,081 initial referendum failures that have happened since 1990, 684 – or

Nominal dollar value of approved referenda by year, 1990 to 2025 Midterm/Presidential Years (Even-Numbered) Off-Years (Odd-Numbered) \$4,500M \$4,000M Capital \$3.500M Operating Total approved: \$950.8 million \$3,000M Capital referenda: \$509.1 million Operating referenda: \$441.7 million \$2,500M \$2,000M \$1,500M \$1,000M \$500M \$0M 1991

Figure 2: Nearly \$1 Billion in Approved Referendum Value, Setting Off-Year Record

Sources: Wisconsin Department of Public Instruction, Wisconsin county elections websites

58.6% - were retried within two years. Of those efforts, 484 - or 70.8% - eventually succeeded, though not necessarily on the first try.

In the case of capital referenda, most retry efforts are successful to at least some extent – since 1990, 284 of 350 have eventually passed, a success rate of 81.1%; this includes cases in which an initial ask is split up into multiple questions and at least one passes. It is worth noting, however, that typically, not every element of an initial capital referendum failure gets incorporated into the question that eventually succeeds.

Around three in every five initial failures are retried, and that rate has been fairly consistent since around 2000. Since 2018, and not including questions asked for the first time this year, there have been 77 initial capital referendum failures; 35 were not retried, but of the 42 that were, 35 (83.3%) eventually passed. Four of the seven failed retry attempts only failed for the first time last year – including Arrowhead – which means that districts might choose to continue asking voters and eventually succeed in 2026 and beyond.

Fewer – though still most – operating referendum retries are eventually successful: 200 of 284, or 70.4%. Operating referenda are retried at a very similar rate to capital referenda, at just under 60%.

However, over time, districts have been more and more willing to retry operating referenda that failed. A

majority of the referenda that failed initially in 2011, 2012, or 2013 were not retried within two years; that share had fallen below 20% for those that initially failed in 2022, 2023, or 2024 (see Figure 3). From 2000 to 2017, roughly half of operating referenda that failed were not retried within two years; since 2018, more than three-quarters of operating referendum failures were retried. Of the 34 operating referendum efforts that failed for the first time at some point in 2024, 29 have *already* been retried, and 18 have passed (Mauston is one such case).

As we discussed in our recent <u>brief</u> on Gov. Tony Evers' budget proposal, since 2012, inflation has outpaced the growth in state-imposed revenue limits (which cap the funds that school districts can receive from property taxes and general state aid) as well as a related form of state aid. This trend intensified in recent years, as the 2021-23 state budget did not include an increase to the per pupil revenue limit at a time when inflation was at its highest levels in decades. Federal pandemic aid also ran out in 2024, adding to the pressure.

Since the beginning of 2024, districts have responded by holding more than 200 operating referenda to exceed their state-imposed revenue limit. That is the first time in state history that so many referenda have occurred over a two-year period. The trend toward more retries for failed operating referenda likely speak to these pressures.

Three-year average of eventual outcome of operating referendum attempts, 2000 to 2024

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Retried and Failed

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Retried and Eventually Passed

Figure 3: Districts Retrying an Increasing Proportion of Failed Operating Referenda

Sources: Wisconsin Department of Public Instruction, Wisconsin county elections websites, Wisconsin Policy Forum analysis. We define a retry as a district going back to referendum within two years of a failure. The data for a given year reflects the outcomes of referenda that initially failed in that year and the two prior years; e.g. 2000 data represent the outcomes of referenda that initially failed in 1998. 1999, and 2000.

The success rate of these retries suggests that districts are in many cases reaching an understanding with local voters, either by reducing their requests or finding voters more amenable on a subsequent attempt. However, these successes come with added costs for local taxpayers, and a notable minority of districts are either opting not to retry their referenda at all or receiving multiple rejections from voters. That raises the question of whether students in these districts are receiving a similar education to those in districts where the referenda have succeeded.

The influx of operating referenda has not gone unnoticed by state elected officials. In 2018, lawmakers and then Gov. Scott Walker approved 2017 Wisconsin Act 141, which mandates that any district with a failed operating referendum cannot benefit from an increase in the state's minimum revenue limit (known as the low revenue limit ceiling) for all districts for three years. This freeze can be reversed early if the district succeeds in a subsequent operating referendum effort. This law may help to explain the trend toward more retries that we see post-2018.

This year, a group of Republican lawmakers introduced a bill that if passed would eliminate permanent, or recurring, operating referenda, and limit other operating referenda to only four years; this bill has not yet received a hearing. That proposal would have made an impact in some past election cycles in which voters in communities such as Madison and Milwaukee passed large permanent referenda. However, only five of the 62 operating referenda in 2025 were recurring, so the proposal would not have had a major effect this year.

In addition, the Evers budget proposal would <u>eliminate</u> the low revenue ceiling penalty included in 2017 Act 141. The governor made the same proposal in 2023 but it was rejected by the Republican-controlled Legislature.

MUNICIPAL LEVY REFERENDA

In addition to school districts, 14 municipalities went to voters this year to raise funds for operations. Cities, villages, and towns statewide face the same inflationary pressures and expiration of pandemic aid as school districts, though they benefitted from 2023 Wisconsin Act 12, which significantly boosted a form of state aid known as shared revenue and tied future aid increases to state sales tax collections to ensure greater growth.

Only six of the 14 referenda passed, the largest of which was a \$1.5 million effort in the city of Racine. A \$6 million referendum in the city of Brookfield failed, and only two referenda worth more than \$1 million (out of five total) were successful.

In general, municipalities and counties tie referenda to exceed state property tax limits to priorities such as public safety and emergency medical services, which tend to be more popular with voters and also account for large shares of local budgets. However, the recent election results shows once again that voters are less likely to approve municipal referenda compared to those for K-12 education.

CONCLUSION

In 2025, for the 16th-straight year, a majority of school district referenda in Wisconsin passed. Over time, more of these questions have focused on operations, as districts contend with budget pressures that include inflation, state-imposed revenue limits, the disappearance of pandemic aid, and now a more uncertain economic future.

Our analysis finds that more than one-third of the 2025 referenda were efforts to retry a question of the same type that had failed within the previous two years. Despite lower overall approval rates for these ballot questions, more initially unsuccessful referenda are being retried and a significant number are eventually passing – one sign of the ongoing financial pressure on districts. At the same time, voters now say in polls they are less willing to raise their own property taxes to increase school spending and face many of the same economic pressures faced by school districts.

A key question now is how Evers and lawmakers will respond in the next state budget and whether they will seek to raise revenue limits or related aid or find ways to help districts control their costs. Without some action at the state level, referenda – and retries – are likely to remain a relatively common feature on Wisconsin ballots.