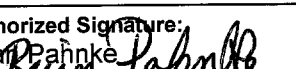


<b>1999 Session</b>		LRB Number <b>4471/1</b>
<b>FISCAL ESTIMATE</b> DOA-2048 N(R06/99)		Bill Number <b>Senate Bill 399</b>
<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> UPDATED <input type="checkbox"/> CORRECTED <input type="checkbox"/> SUPPLEMENTAL		Amendment No. if Applicable
<b>Subject</b> Increasing a school district's revenue limit by the amount spent to initiate a school breakfast or school lunch program and requiring a report on pupil nourishment.		Administrative Rule Number
<b>Fiscal Effect</b>		
State: <input type="checkbox"/> No State Fiscal Effect Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.		<input type="checkbox"/> Increase Costs - May be possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Increase Existing Appropriation <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriation <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriation		<input type="checkbox"/> Decrease Costs
Local: <input type="checkbox"/> No local government costs		
1. <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<b>Fund Sources Affected</b>		<b>Affected Chapter 20 Appropriations</b>
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S		20,255 (ac)
<b>Assumptions Used in Arriving at Fiscal Estimate</b>		
<p>This bill provides that a school district's revenue limit is increased by an amount equal to the costs incurred by the school district to establish a school breakfast program, a school lunch program or both programs. The bill also directs each school district that has neither a school breakfast program nor a school lunch program to include in its annual report to the department of public instruction an evaluation of how well nourished the pupils are who are enrolled in the school district.</p> <p><i>School Breakfast Program</i>          Currently, 229 school districts in the state do not participate in the school breakfast program. In order to estimate the potential revenue limit exemption provided by this bill, a three year average (1997, 1998, and 1999) of the grants awarded to school districts, under the current law provision s. 115.341, Wis stats. is used. This provision grants funds to district in order "to assist in establishing a school breakfast program." The average amount awarded to each school district in this period for establishing school breakfast programs was approximately \$9,180.</p> <p>If this provision were in effect in the 1999-2000 school year, it would have increased school districts statewide revenue limit authority by a maximum of approximately \$2.1 million (229 school districts x \$9,180 start-up costs). This statewide revenue exemption may be less, as all eligible school districts may still not establish a program.</p> <p><i>School Lunch Program</i>          Currently, 20 school districts do not participate in the school lunch program. In order to estimate the potential revenue limit exemption provided by this bill, a cost of about \$510 per pupil associated with establishing a school lunch program was used. The per pupil amount was arrived at by dividing the estimated cost of establishing a food service facility in the Manitowoc Public School District by the number of students enrolled. Therefore, this per pupil cost estimate does not completely reflect the fixed costs associated with establishing a school lunch program.</p>		
<b>Long-Range Fiscal Implications</b>		
<b>Prepared by:</b> Keith Pollock	<b>Telephone No.</b> (608)266-1344	<b>Agency</b> Department of Public Instruction
<b>Authorized Signature:</b> Brian Pahnke 	<b>Telephone No.</b> (608)266-2804	<b>Date</b> 3/3/00

If this provision were in effect in the 1999-2000 school year, it would have increased school districts revenue limit authority by a maximum of approximately \$10.3 million ( $\$510 \times 20,232$  pupils). The statewide revenue exemption may be less, as all school districts may still not establish a program.

*Annual Report Requirement Regarding Pupil Nourishment*

In the 1999-2000 school year, the same 20 school districts that do not participate in school lunch programs also do not participate in school breakfast programs. These school districts would be required to include an evaluation of how well enrolled pupils are nourished in their annual report.

**State Fiscal Effects:**

*School Breakfast Program*

In order to maintain two-thirds funding of partial school revenues, the state would be required to increase general school aids by a maximum of approximately \$1.4 million ( $\$2.1 \text{ million} \times 2/3$ ).

*School Lunch Program*

In order to maintain two-thirds funding of partial school revenues, the state would be required to increase general school aids by maximum of approximately \$6.9 million ( $\$10.3 \text{ million} \times 2/3$ ).

*Annual Report Requirement Regarding Pupil Nourishment*

No effects.

*Total Effects*

Overall, in order to maintain two-thirds funding of partial school revenues, the state would be required to increase general school aids by \$8.3 million.

**Local Fiscal Effects:**

*School Breakfast Program*

School districts statewide would be given the revenue limit authority to increase their school property tax levies by a maximum of approximately \$700,000 ( $\$2.1 \text{ million} \times 1/3$ ).

*School Lunch Program*

School districts statewide would be given the revenue limit authority to increase their school property tax levies by a maximum of approximately \$3.4 million ( $\$10.3 \text{ million} \times 1/3$ ).

*Annual Report Requirement Regarding Pupil Nourishment*

The administrative workload of the affected districts would increase, but it is unlikely that any significant new funding would be necessary.

*Total effects*

School districts statewide would be given the revenue limit authority to increase their school property tax levies by a maximum of approximately \$4.1 million.