

### Fiscal Estimate - 2003 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>03-2365/1</b>	<b>Introduction Number</b> <b>AB-260</b>
------------------------------------	--

**Subject**  
 MPCP; Milwaukee County private schools eligible

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate

<input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
---	--	---

**Local:**

No Local Government Costs  
 Indeterminate

1. <input checked="" type="checkbox"/> Increase Costs <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input checked="" type="checkbox"/> Decrease Costs <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input checked="" type="checkbox"/> Increase Revenue <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input checked="" type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	<b>5. Types of Local Government Units Affected</b> <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input checked="" type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
--	--	--

<b>Fund Sources Affected</b>	<b>Affected Ch. 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"/> SEGS 20.255(2)(fu)	

<b>Agency/Prepared By</b> DPI/ Michael Bormett (608) 266-2804	<b>Authorized Signature</b> Michael Bormett (608) 266-2804	<b>Date</b> 4/21/2003
--	---	--------------------------

## Fiscal Estimate Narratives

DPI 4/21/2003

LRB Number	03-2365/1	Introduction Number	AB-260	Estimate Type	Original
<b>Subject</b>					
MPCP; Milwaukee County private schools eligible					

### Assumptions Used in Arriving at Fiscal Estimate

Under current law, private schools located in the city of Milwaukee may participate in the Milwaukee Parental Choice Program (MPCP). In the 2002-03 school year, 102 private schools participated in the program enrolling over 11,600 students. Current law student eligibility for the MPCP is based on three criteria: (1) residency in the city of Milwaukee; (2) household income that does not exceed 175% of federal poverty level; and (3) prior year school enrollment. Specifically, s. 119.23(2)(a)2. Stat., provides that in the prior school year the student must have either been enrolled in: (a) the Milwaukee Public Schools (MPS); (b) participated in the MPCP; (c) enrolled in one of grades kindergarten through 3 in a private school in the city of Milwaukee but not in the MPCP; or (d) not enrolled in school anywhere. Current law also limits student participation in the MPCP to 15% of MPS membership (approximately 15,000 students).

Starting in the 2004-05 school year, this bill would modify current law by expanding eligibility to participate in the program to private schools located in Milwaukee County. The bill does not change student eligibility requirements, including the prior year enrollment requirement, or the 15% limit on student participation.

It is anticipated that there would be some fiscal effect, indeterminate, as result of this bill's provision to expand the number of schools participating in the program. It is not anticipated that the number of students participating in the program in the 2004-05 school year will exceed the current law limit of approximately 15,000 students as a result of AB 260. This bill may also increase transportation costs for MPS.

Currently there are 63 private schools located in 16 school districts in Milwaukee County outside the city of Milwaukee. These schools enroll approximately 13,100 students. Of these 63 schools, 48 are elementary schools, one is a middle school, 10 are combination elementary and secondary schools and four are high schools. It is not known how many private schools would choose to participate in the program, the number of seats the schools would offer to MPCP eligible students and the number of eligible students that would find an available seat at a MPCP private school. However, if this change was effective in the 2002-03 school year the cost of one additional student to participate in the program would be as follows:

#### Per Student MPCP Cost

2002-03 MPCP State Aid Amount \$5,783\*

55% funded by GPR \$3,181

45% funded by MPS \$2,602

The \$3,181 is funded from a sum sufficient general purpose revenue (GPR) appropriation. The remaining \$2,602 is funded by reducing MPS general aid. MPS is allowed to replace the \$2,602 reduction in state general aid with an increase in its property tax levy.

\* May be less if a school's per pupil cost as determined in the school's financial information report is lower than the state aid amount.

### Long-Range Fiscal Implications