

Fiscal Estimate Narratives

DPI 11/25/2003

LRB Number	03-3097/3	Introduction Number	AB-466	Estimate Type	Original
Subject					
Levy limits for municipalities, counties, and technical college districts, and school district revenue limits					

Assumptions Used in Arriving at Fiscal Estimate

This bill sets the per pupil adjustment under school district revenue limits to \$120 in 2003-04 and \$100 in 2004-05 and in subsequent years. Under current law, the per pupil adjustment would be equal to approximately \$236 in 2003-04 and \$241 in 2004-05 and be adjusted for inflation in subsequent years. Also under current law, a school district with per pupil revenue below \$7,400 in 2003-04 and below \$7,800 in 2004-05 may raise its revenue limit to those levels in those respective fiscal years. Under this bill, a school district may not increase its per pupil revenue limit to these levels unless the school board adopts a resolution to that effect by a two-thirds vote.

Based on 2002-03 enrollment, it is estimated that the reduction in the per pupil revenue limit adjustment would reduce school district revenue limit authority by approximately \$100 million in 2003-04 and \$220 million in 2004-05. The actual amounts could differ from these estimates based on many factors, including changes in district pupil enrollment or use of the \$7,400/\$7,800 low-revenue ceiling provisions. School districts would not be able to raise their property tax levies to make up for this reduction in their revenue limit authority without going to referendum.

It is not possible to estimate how many school districts would be unable to take advantage of the \$7,400/\$7,800 low-revenue ceiling provision with the two-thirds school board vote requirement. Thus, any effect on school district revenues is indeterminate.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Levy limits for municipalities, counties, and technical college districts, and school district revenue limits			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$	\$-220,000,000
Agency/Prepared By		Authorized Signature	
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		Date	
		11/25/2003	