

Fiscal Estimate - 2003 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 03-4403/1	Introduction Number AB-938
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Subject
 Additional school aid for declining enrollment school districts

Fiscal Effect

State:

- No State Fiscal Effect
- Indeterminate
 - Increase Existing Appropriations
 - Decrease Existing Appropriations
 - Create New Appropriations
- Increase Existing Revenues
- Decrease Existing Revenues
- Increase Costs - May be possible to absorb within agency's budget
 - Yes
 - No
- Decrease Costs

Local:

- No Local Government Costs
- Indeterminate
 - 1. Increase Costs
 - 2. Decrease Costs
 - 3. Increase Revenue
 - 4. Decrease Revenue
- Permissive Mandatory
 - Permissive Mandatory
 - Permissive Mandatory
 - Permissive Mandatory
- 5. Types of Local Government Units Affected
 - Towns Village Cities
 - Counties Others
 - School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**

GPR
 FED
 PRO
 PRS
 SEG
 SEGS 20.255 (2) (ae)

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Fiscal Estimate Narratives

DOR 3/15/2004

LRB Number	03-4403/1	Introduction Number	AB-938	Estimate Type	Original
Subject					
Additional school aid for declining enrollment school districts					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, a school district is eligible for "supplemental aid" of \$350 per enrolled pupil if it meets the following criteria: (a) an area of at least 200 square miles, (b) an enrollment of fewer than 500 pupils, and (c) at least 80% of the real property is exempt from taxation, taxed as forest cropland, or is tribal land. "Supplemental aid" is paid from a separate annual appropriation.

Under the bill, if any funds remain in the appropriation after current law payments are made, a school district is eligible for "supplemental aid" of \$350 per enrolled pupil if it meets the following criteria: (a) an area of at least 475 square miles and (b) an enrollment decline of more than 12% between the 2000-01 and 2003-04 school years. If the remaining funds are not sufficient to make these additional payments in full, the additional payments are to be prorated.

Under the bill, a school district is eligible for "additional aid" of \$500 per pupil enrolled if it meets the following criteria: (a) an area of at least 475 square miles and (b) an enrollment decline of more than 12% between the 2000-01 and 2003-04 school years. "Additional aid" is paid from a separate annual appropriation. If the appropriation is not sufficient to make "additional aid" payments in full, payments are to be prorated. "Additional aid" payments would begin in the 2004-05 school year and end in the 2008-09 school year.

Based on area data from the U. S. Bureau of the Census and preliminary enrollment data from the Department of Public Instruction, it is believed that no school district would qualify for this aid at the current time. However, once final enrollment data for 2003/04 are available, this may change.

Long-Range Fiscal Implications