



**Fiscal Estimate Narratives**  
**DPI 8/11/2005**

LRB Number <b>05-2671/3</b>	Introduction Number <b>AB-584</b>	Estimate Type <b>Original</b>
<b>Subject</b> Referenda to exceed revenue limits		

**Assumptions Used in Arriving at Fiscal Estimate**

Under current law, if excess revenue for a recurring purpose is approved by the electors of a school district, the amount is included in the base for calculating the school district's revenue limit for the next school year. If excess revenue for a nonrecurring purpose is approved, the amount is not included in the base for calculating the school district's revenue limit for the next school year.

Under this bill, if excess revenue for a recurring purpose is approved at a referendum, the school district's revenue limit is increased for the number of school years specified in the referendum ballot, and the bill prohibits a school board from specifying more than five school years.

Since 1993, 61 districts have passed 78 referenda to exceed the revenue cap for a recurring purpose.

**State Fiscal Effect**

This bill only affects the calculation of school district revenue limit authority. There is no connection between statewide revenue limit authority and the level of state school aids. Therefore, this bill will have no state fiscal effect.

**Long-Range Fiscal Implications**