

Fiscal Estimate Narratives

DPI 2/11/2014

LRB Number	13-3801/1	Introduction Number	AB-0662	Estimate Type	Original
Description School district expenditures for community programs and services and requiring the exercise of rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, a school district may establish community education, training, recreational, cultural, or athletic programs and services. The school board may collect fees to cover all or part of the costs of such community programs and services. Current law excludes such costs from the school district's shared cost. The property taxes levied for community programs and services are outside the district's revenue limit. The Department of Public Instruction (DPI) publishes guidelines regarding community service activities; see http://sfs.dpi.wi.gov/sfs_comm_serv_fund_info.

This bill directs DPI to promulgate rules defining eligible costs for community programs and services and provides that only those expenditures that are eligible costs under the rules are excluded from a school district's shared cost. In addition, the bill requires each school board to submit an annual report to the Department of Revenue (DOR) detailing the school board's expenditures in the previous school year for community programs and services. DOR must determine for each school district whether any such expenditures were ineligible under DPI's rules and certify to DPI the total amount of ineligible expenditures for each school district. The bill decreases a school district's revenue limit by the amount of its ineligible expenditures.

State:

The department is required to promulgate rules under this bill. The cost to promulgate these rules is indeterminate and is expected to be absorbed within the department's existing budget.

Local:

School districts are required to submit a report to DOR. The cost to prepare and submit this report is indeterminate.

It is unknown whether existing school district expenditures on community programs and services will meet rules promulgated by the department as a result of this bill. To the extent that school district expenditures change based on the definition of eligible costs defined as a result of this bill, school district revenue limits and local property taxes may change. In 2013-14, school districts levied \$79,560,060 for community service fund programs.

Thus, the overall fiscal effect on local school districts is indeterminate.

Long-Range Fiscal Implications