

Fiscal Estimate Narratives

DPI 2/16/2016

LRB Number	15-4452/1	Introduction Number	AB-0912	Estimate Type	Original
Description Adjusting a school district's revenue limit for certain school safety expenditures					

Assumptions Used in Arriving at Fiscal Estimate

This bill permits a school district to increase its revenue limit, via an exemption, by an amount equal to the greater of \$40,000 or \$100 times the number of pupils enrolled in the district for the purpose of making certain school safety expenditures. As a prerequisite to increasing its revenue limit for this purpose, the school board must approve and submit to the state superintendent of public instruction a school safety expenditure plan developed jointly by the school board and a local law enforcement agency. The school safety expenditure plan must be consistent with the school district's school safety plan. The revenue limit exemption first applies to the calculation of the school district revenue limit in the 2016-17 school year and is a nonrecurring exemption.

Current law generally limits the amount of revenue per pupil that a school district may receive from general school aids and property taxes in a school year to the amount of revenue allowed per pupil in the previous school year, plus a per pupil adjustment as specified in current law (\$0 for FY16 and FY17). Statutes also specify a number of adjustments ("exemptions") that can be made to a district's revenue limit.

Local:

Assuming that school districts claim the full revenue limit exemption under this bill by an amount equal to the greater of \$40,000 or \$100 times the number of pupils enrolled in the district, this exemption would be borne by the local property tax levy; in the event that a school district with a membership less than 400 pupils can levy up to \$40,000, those applicable school districts could effectively increase their revenues by an amount greater than \$100 per pupil. For school districts whose membership is greater than 400 pupils, the per pupil tax impact would be the same. However, because it is unknown how many school districts would utilize this exemption or in what amounts, the local fiscal impact as a result of this bill is indeterminate.

State: None.

This bill would increase school district revenue limits only; it would not increase state school aids to districts. Thus there is no effect on state school aid appropriations. However, the Department may have to ensure that districts have a school safety expenditure plan, and that the Department may need to review plans to ensure they are in compliance with the school safety plan, which may require staff time. Because there are no additional resources provided to the Department for this purpose, it is assumed that these increases would be absorbed within the agency's operating budget.

Long-Range Fiscal Implications