

Fiscal Estimate Narratives

DPI 3/12/2018

LRB Number	17-5564/1	Introduction Number	AB-1011	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 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 adjustment first applies to the calculation of the school district revenue limit in the 2018-19 school year.

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.

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. The Department cannot predict how many school districts would utilize this exemption or whether the exemptions would be fully or partially utilized; therefore, the local fiscal impact as a result of this bill is indeterminate.

State:

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 budgets.

Long-Range Fiscal Implications