

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

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| LRB Number 19-2448/1 | Introduction Number SB-431 |
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Description
 contract between a school board and a parent or guardian to transport a pupil to and from school

Fiscal Effect

State:

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

Local:

No Local Government Costs
 Indeterminate

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|--|--|---|
| 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input checked="" type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
| 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | |

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|--|---------------------------------------|
| Fund Sources Affected | Affected Ch. 20 Appropriations |
| <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS | |

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| Agency/Prepared By DPI/ Carl Bryan (608) 267-9127 | Authorized Signature Erin Fath (608) 266-2804 | Date 10/7/2019 |
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Fiscal Estimate Narratives

DPI 10/7/2019

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|--|-----------|---------------------|--------|---------------|----------|
| LRB Number | 19-2448/1 | Introduction Number | SB-431 | Estimate Type | Original |
| Description contract between a school board and a parent or guardian to transport a pupil to and from school | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

Local:

Under the bill, a school board that contracts with a parent or guardian to transport a pupil to and from school must compensate the parent or guardian a total amount for all pupils residing in the household who attend the same school rather than a per pupil amount. Under current law, a school board is generally required to provide transportation to both public and private school pupils residing in the school district two or more miles from the pupil's school. A school board may meet this requirement by contract with the parent or guardian of the pupil.

There are two types of contracts which may be offered to parents to offset the cost of transporting the pupil to and from school and are amended by this bill. The first type of contract, under s. 121.55 (1) (b), Stats., is a contract with the parent or guardian of the pupil to be transported. This type of contract applies to both public and private school pupils and is subject to negotiation. If the school board and the parent or guardian cannot agree upon the amount of compensation, the Department is required to determine the amount of compensation to be designated in the contract. Pursuant to s. PI 7.04 (1), Wis. Admin. Code, if the parent or guardian rejects this type of contract, the school board is still obligated to provide transportation for the pupil using another method of transportation, which might include transportation by bus or another driver. Most contracts of this type are paid by a per mile or daily rate and is not usually paid on a per pupil basis. Essentially, current law does not have a per pupil requirement in how contracts between school boards and parents or guardians of pupils are to be determined and agreed upon.

The bill amends this type of contract to provide that if two or more pupils reside in the same household and attend the same school, a contract with the parent or guardian shall provide for an amount of compensation for all such pupils, rather than a per pupil amount. As written it does not appear to account for situations when pupils need to be transported to and from school at varying times of the day to account for a pupil's individual educational needs. For example, this kind of arrangement might make it difficult in the case of a parent who is paid to transport one pupil to school for an hour or two a week for speech therapy, then sends another pupil to high school for a class during another time of the school day, then drives another pupil for a class at a private school, all of which continues to be a subject of negotiation under current law and the bill. The bill would not likely result in any change in how contracts are determined or agreed upon, but it may result in confusion by school districts or parents or guardians.

The second type of contract, under s. 121.55 (3) (a), Stats., is a contract with the parent or guardian of a private school pupil only. This type of contract may only be offered if a school district is eligible to offer it and is not subject to negotiation, because the amount offered under the contract is written in the statutes. Current law provides that if the cost of transporting a private school pupil is more than 1.5 times a school district's average cost per pupil for bus transportation in the previous year, a contract offered to a parent or guardian must provide for an annual payment for each pupil in an amount no less than the greater of either \$5 multiplied by the distance in miles between the pupil's residence and the pupil's private school, or the school district's average cost. The statutes also provide that the contract is paid on a per pupil basis, and if the parent of the pupil to be transported rejects the contract, the school district is not obligated to transport the child another way. However, if the school district is a school district in a city of the first class (Milwaukee Public Schools), s. 121.55 (3) (b), Stats., provides that the board of school directors may pay the minimum contract amount for all such pupils who reside in the same household and attend the same private school.

The bill similarly amends s. 121.55 (3) (b), Stats., to provide that if two or more pupils reside in the same household and attend the same private school, the contract shall provide for a total annual payment in the

amount described above. The bill essentially eliminates the distinction between the board of school directors of Milwaukee Public Schools and other school boards in how contracts of this type would be calculated. However, the bill does not amend s. 121.55 (3) (a), Stats., which continues to read that the contract shall provide for an annual payment for each pupil. This may also be problematic in communicating to school boards how contracts between parents or guardians of private school pupils are to be determined. The bill will likely not have any practical effect on determining this type of calculation, but may result in confusion for the school boards and parents impacted.

With these changes taken together, the local fiscal effect as a result of this bill is indeterminate.

State:

There is no fiscal effect to the state as a result of this bill, because the bill impacts contracts offered by school boards to parents or guardians of pupils to be transported to and from school, and the bill does not impact appropriations administered by the Department. However, current law does provide that if a school board and the parent or guardian of a pupil to be transported under s. 121.55 (1) (b), Stats., cannot agree on the upon the amount of compensation, the Department shall determine the amount of compensation to be designated in the contract. It is possible that the Department may be called upon to settle disputes arising from new contracts being negotiated in accordance with the changes in this bill, but such an impact cannot be determined at this time. Additionally, it is possible that the Department may be called upon to answer questions around the new requirements in the bill, but this impact also cannot be determined at this time. As such, it is expected that any staff time directed to assist with parent contracts as a result of this bill would be absorbed within existing staff resources.

Long-Range Fiscal Implications