

Fiscal Estimate — 2001 Session

- Original Updated
 Corrected Supplemental

LRB Number 1499/1	Amendment Number if Applicable
Bill Number Assembly Bill 127	Administrative Rule Number

Subject

Adjusting a school district's revenue limit for unanticipated expenditures and granting rulemaking authority.

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

- Increase Costs — May be possible to absorb within agency's budget.
 Yes No
 Decrease Costs

Local: No Local Government Costs

- | | |
|--|---|
| 1. <input checked="" type="checkbox"/> Increase Costs
<input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input checked="" type="checkbox"/> Increase Revenues
<input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |
| 2. <input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Revenues
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |

5. Types of Local Governmental Units Affected:

- Towns Villages Cities
 Counties Others
 School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Chapter 20 Appropriations

s. 20.255 (2) (ac)

Assumptions Used in Arriving at Fiscal Estimate

This bill would increase a school district's revenue limit by the amount that a school district spends in the current year for certain unanticipated expenditures less the school district's three-year average for those same expenditures. The bill would also provide the department with the authority to specify additional categories of unanticipated expenditures in addition to those explicitly provided for in the bill.

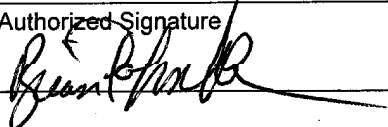
The total state and local fiscal impact of this bill is unknown as the department does not currently maintain school district expenditures for some of the specific purposes enumerated in this bill. Therefore, it may not be possible for the department to accurately calculate a prior three-year average of specific categories of expenditures mentioned in this bill.

However, an estimate of school districts' unanticipated expenditures specifically related to utilities (one of the categories of expenditures provided for in this bill) can be estimated for the current 2000-01 school year (see table 1 below). If the provisions of this bill related to utilities were in effect in 2000-01, it is estimated that school districts' revenue limit authority would be increased by approximately \$48 million.

State Fiscal Effect

The bill's total fiscal effect on the state is indeterminable. However, it is estimated that if the bill were in effect this year that the state's two-thirds funding commitment would be increased by \$32 million dollars (2/3 x \$48 million).

Long-Range Fiscal Implications

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Local Fiscal Effect

The total local fiscal effect of this bill is indeterminable. However, it is estimated that if it were in effect in 2000-01 that school districts' tax levy authority would be able to be increased by an additional \$16 million statewide (1/3 x \$48 million) for unanticipated utility expenditures. It is also estimated that 363 school districts would be able to receive additional revenue limit authority under this provision.

Table 1 : Calculation of Additional Revenue Limit Authority due to Unanticipated Utility Expenditures

Three-year Utility Expenditure Average (1997,1998,1999)	1999-00 Utility Expenditures	Total Additional Revenue Limit Authority
\$416 million	\$464 million	\$48 million