

Fiscal Estimate - 2001 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 01-3915/1		Introduction Number AB-705	
Subject			
Four-year-old kindergarten programs			
Fiscal Effect			
State:			
<input type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input checked="" type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/> Decrease Costs			
Local:			
<input type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs		3. <input checked="" type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<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"/> Counties		<input type="checkbox"/> Others	
<input checked="" type="checkbox"/> School Districts		<input type="checkbox"/> WTCS Districts	
Fund Sources Affected		Affected Ch. 20 Appropriations	
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.255 (2) (ac)			
Agency/Prepared By		Authorized Signature	Date
DPI/ Keith Pollock (608) 266-1344		Michael Bormett (608) 266-2804	1/14/02

Fiscal Estimate Narratives

DPI 1/14/02

LRB Number	01-3915/1	Introduction Number	AB-705	Estimate Type	Original
Subject					
Four-year-old kindergarten programs					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, a four-year-old kindergarten (4K) pupil enrolled in a program offering 437 hours of instruction is counted as 0.5 member regardless of the hours of instruction offered, unless the program provides at least 87.5 additional hours of outreach activities in which the pupil is counted as 0.6 member.

Beginning in 2002-03, this bill provides that four-year-old kindergarten pupils would be counted for school aid and revenue limit purposes on a full-time equivalency basis (FTE), reflective of the number of hours scheduled for the program. Furthermore, this bill eliminates the current law provision that allows a pupil to be counted an additional 0.1 member because a program provides 87.5 hours of additional outreach activities.

This estimate assumes the following: 1) The number of 4K pupils participating would not increase from the 2001-02 membership count; 2) Currently, school districts only provide 4K programs offering 437 hours of instruction and certain programs provide 87.5 hours of outreach activities. In other words, 4K pupils are counted only as .5 member or .6 member for state aid or revenue limit purposes (state law provides that the department pay no additional state aid to a district that provides over 524.5 hours (instructional and outreach) annually, therefore 4K membership is not collected on an actual prorated FTE basis); 3) school districts currently operating 4K programs would increase their programs to full-day only; and 4) It is assumed 50% of the number of pupils who currently participate in partial day 4K programs would enter into full-day 4K programs in 2002-03.

Counting 4-year-old kindergarten pupils on an FTE basis would increase statewide membership by roughly 3,198 members for revenue limit purposes. Subsequently, partial school revenues would increase by approximately \$4.2 million in 2002-03.

State Fiscal Effect

The assumptions above would provide that general school aids would be increased by roughly \$2.8 million ($\frac{2}{3}$ x \$4.2 million) in order to maintain the state's two-thirds funding commitment.

Local Fiscal Effect

The assumptions above would provide that school districts would increase their school property tax levies by \$1.4 million ($\frac{1}{3}$ x \$4.2 million).

Long-Range Fiscal Implications

The full effect of this provision would be phased in as membership for revenue limit purposes is based on a three-year average. Therefore, in 2003-04, partial school revenues due to the increased 4K membership provided by this bill would double and triple in 2004-05, as all 3,140 4K pupils would be counted for revenue limit purposes. State and local costs would also double in 2003-04 and triple in 2004-05. Furthermore, it is likely that this bill could encourage additional 4K programs and pupils and, thus more additional state and local costs.