

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-3037/1	Introduction Number AB-541
------------------------------------	--

Subject
 Payment for educational services provided to pupil in secure custody

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations		<input checked="" type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs	5. Types of Local Government Units Affected	
<input checked="" type="checkbox"/> Indeterminate	<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	
1. <input checked="" type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	<input 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	

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)(cg)	

Agency/Prepared By DPI/ Michael Bormett (608) 266-2804	Authorized Signature Michael Bormett (608) 266-2804	Date 8/12/2005
--	---	--------------------------

Fiscal Estimate Narratives

DPI 8/12/2005

LRB Number	05-3037/1	Introduction Number	AB-541	Estimate Type	Original
Subject					
Payment for educational services provided to pupil in secure custody					

Assumptions Used in Arriving at Fiscal Estimate

This bill provides that when a pupil who is placed in a secure detention facility, jail, or county house of correction is provided with educational services by the school district in which the secure detention facility, jail, or county house of correction is located, the school board of the school district in which the pupil resided at the time the pupil was placed in the secure detention facility, jail, or county house of correction must pay tuition for the pupil to the school district providing the educational services. The bill requires the school board to pay for each full-time equivalent pupil served by the school district providing the educational services an amount equal to the average per pupil cost for the school district of the school board.

Under current law there is state Tuition Payments aid appropriation that is funded at \$9,491,000 GPR in FY 2005-06. School districts and County Children with Disabilities Education Boards (CCDEBs) can receive this aid. State Tuition Payments categorical aid is based on prior year expenditures incurred for educational services provided to children residing in eligible children's homes, foster/group homes, state or federal facilities, and penal/detention institutions.

Tuition Payments aid is currently paid to school districts for the costs of educating pupils that are residing in penal/detention institutions that are located within that district. AB 541 would appear to replace these state GPR aid payments with transfers of tuition payments from the resident district to the district that contains the penal/detention facility.

State Fiscal Effect

In FY 2004-05, approximately 54% of all Tuition Payments aid (\$4,650,000 out of \$9,741,000) was related to costs incurred in secure detention facilities. Under this bill, these aid payments would be replaced with tuition transfers between school districts and the aid would not be paid. Thus, state costs under this bill for Tuition Payments aid would decrease by approximately \$4,650,000 GPR.

Local Fiscal Effect

As stated above, state categorical aid is being replaced with inter-district tuition payments. Current recipients of Tuition Payments state aid would receive some level of replacement of that aid from tuition payment transfers from other school districts, but the actual amount is indeterminate. The level of actual tuition payments could be higher or lower than the \$4,650,000 as the bill requires these payments to be equal to the per pupil cost of the resident district. Current Tuition Payments aid is based on costs incurred by the the district providing the educational services in the detention facility.

To the extent that a district is serving its own resident pupil in a detention facility within its own district, it could absorb a net loss of revenue when the state Tuition Payments are eliminated for that pupil(s) and no replacement tuition transfer would come from another school district. This effect is indeterminate.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-3037/1		Introduction Number AB-541	
Subject			
Payment for educational services provided to pupil in secure custody			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$		
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			-4,650,000
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$		\$-4,650,000
B. State Costs by Source of Funds			
GPR			-4,650,000
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
		Increased Rev	Decreased Rev
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$		\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$-4,650,000	\$Indeterminate
NET CHANGE IN REVENUE		\$	\$Indeterminate
Agency/Prepared By			
DPI/ Michael Bornett (608) 266-2804		Authorized Signature	
		Michael Bornett (608) 266-2804	
			Date
			8/12/2005