

Fiscal Estimate - 2007 Session

Original Updated Corrected Supplemental

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|---|--|---|--|-------------|
| LRB Number 07-2389/1 | | Introduction Number AB-0344 | | |
| Description Awarding grants to school districts for school district consolidation feasibility studies and making an appropriation | | | | |
| Fiscal Effect | | | | |
| State: | | | | |
| <input type="checkbox"/> No State Fiscal Effect | | | | |
| <input type="checkbox"/> Indeterminate | | | | |
| <input type="checkbox"/> Increase Existing Appropriations | | <input type="checkbox"/> Increase Existing Revenues | | |
| <input type="checkbox"/> Decrease Existing Appropriations | | <input type="checkbox"/> Decrease Existing Revenues | | |
| <input checked="" type="checkbox"/> Create New Appropriations | | <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget | | |
| | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| | | <input type="checkbox"/> Decrease Costs | | |
| Local: | | | | |
| <input type="checkbox"/> No Local Government Costs | | | | |
| <input checked="" 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 checked="" type="checkbox"/> Decrease Costs | | 4. <input type="checkbox"/> Decrease Revenue | | |
| <input checked="" 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"/> Cities | | |
| <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(1)(a), (2)(fp) | | |
| Agency/Prepared By | | Authorized Signature | | Date |
| DPI/ Gayle Krueger (608) 266-3892 | | Michael Bormett (608) 266-2804 | | 5/25/2007 |

Fiscal Estimate Narratives
DPI 5/29/2007

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|---|------------------------------------|-------------------------------|
| LRB Number 07-2389/1 | Introduction Number AB-0344 | Estimate Type Original |
| Description Awarding grants to school districts for school district consolidation feasibility studies and making an appropriation | | |

Assumptions Used in Arriving at Fiscal Estimate

This bill provides that a consortium of two or more school districts may apply to the department for a grant to conduct a school district consolidation feasibility study. The bill provides for a one-time appropriation of \$250,000 in FY09 to fund the grants and limits an award to \$10,000 per applicant.

It is assumed that school districts that are already considering consolidation, as well as those that may consider consolidation as a result of the availability of the grants, would apply. The bill requires an applicant to submit a plan identifying the school districts engaged in the study, the issues the study will address, and how the grant funds will be expended. Further, the department must give priority to applications that demonstrate prior district attempts to address underlying issues associated with management and operation of school district programs.

State Fiscal Effect:

The bill creates an appropriation to the department to fund grants during the 2008-09 school year. No funds may be encumbered after June 30, 2009. The bill provides an appropriation of \$250,000 GPR in FY09.

The bill would require the department to verify that each consortium has met the requirements for grant application, determine if each consortium should be given priority under the provisions of the bill, process grant awards, and receive study results from each consortium. These responsibilities would increase operating costs to the department. It is assumed that these costs would be absorbed within the agency's current budget.

Local Fiscal Effect:

It is assumed that, without the benefit of grants as provided in the bill, some districts considering consolidation will conduct feasibility studies during FY09 and incur costs for those studies. It is further assumed that other school districts would apply as a result of the availability of the grants. Therefore, individual school districts participating in a consortium and receiving a grant would see an increase in revenue and/or a decrease in costs. It is unknown how many consortia of school districts would apply for and receive grants. The local fiscal effect is indeterminate.

Long-Range Fiscal Implications