

### Fiscal Estimate - 2015 Session

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>15-0660/2</b>	Introduction Number <b>AB-0064</b>
-----------------------------	------------------------------------

**Description**  
 Allowing each technical district board to authorize independent charter schools focused on occupational education and training or science, technology, engineering, and math

**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

1. <input checked="" type="checkbox"/> Increase Costs <input checked="" 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 type="checkbox"/> School Districts <input checked="" 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	

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

<b>Agency/Prepared By</b> WTCS/ Layla Merrifield (608) 266-2449	<b>Authorized Signature</b> James Zylstra (608) 266-1739	<b>Date</b> 3/9/2015
--	---	-------------------------

## Fiscal Estimate Narratives

WTCS 3/9/2015

LRB Number	15-0660/2	Introduction Number	AB-0064	Estimate Type	Original
<b>Description</b> Allowing each technical district board to authorize independent charter schools focused on occupational education and training or science, technology, engineering, and math					

### Assumptions Used in Arriving at Fiscal Estimate

Under current law, school boards may enter into contracts to establish charter schools, which operate with fewer constraints than traditional public schools. Current law also permits the University of Wisconsin (UW-Milwaukee, UW-Parkside, Milwaukee Area Technical College (MATC), and the city of Milwaukee to establish charter schools directly or to contract for the operation of charter schools. A charter school established by an entity other than a school board is known as an independent (2r) charter school. This bill allows each technical college district board, including the MATC district board, to establish or contract to establish a (2r) charter school that provides a curriculum focused on occupational education and training or science, technology, engineering, and math (STEM). An independent charter technical school must be located within the boundaries of the authorizer's technical college district or in a county adjacent to the district. This bill does not otherwise affect MATC's authority under current law to authorize independent (2r) charter schools.

Local: If enacted, the bill could result in more independent charter schools in the state, potentially increasing (2r) pupil enrollments. It is unknown whether and to what extent technical colleges would choose to exercise the authority provided under the bill, or how many additional (2r) charter school pupils might enroll in such high schools.

However, in general, high school grades are the most expensive to operate for school districts. Similarly, in general, occupational and technical courses are the most expensive to operate compared with other postsecondary courses. Therefore, it is not clear whether the (2r) charter school payment amount would provide sufficient funding to operate a career and technical education high school. It is not known whether technical colleges would have sufficient resources available to subsidize such high schools, if the (2r) charter payment should prove insufficient.

Costs incurred for a high school offering a STEM focus or occupational program would vary depending on the nature of the specific program offered, the mix of general education and technical programming that would be offered, and to what extent a particular technical college would need to incur additional costs for equipment or facilities to serve the needs of high school pupils.

It is unknown what indirect costs might be encountered if a technical college were to operate a high school, in terms of specialized student services or physical plant. If it were deemed desirable to offer separate facility space dedicated to a (2r) high school, then a technical college would need to remodel or build a new facility, incurring capital costs. To the extent that technical colleges have no current expertise in federal IDEA and ESEA laws and regulations, which pertain specifically to secondary education, additional administrative services might be necessary in order to ensure compliance, in addition to the cost of providing special education services to students, as needed.

On the other hand, it is likewise unknown whether technical colleges would choose to operate such high schools themselves, or if they might choose to contract with a charter school operator, and whether and to what extent that might affect the costs technical colleges could incur.

### Long-Range Fiscal Implications