

Fiscal Estimate Narratives

DPI 3/9/2018

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| LRB Number | 17-4130/1 | Introduction Number | AB-1001 | Estimate Type | Original |
| Description the Special Transfer Program (Chapter 220) | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

This bill restores the Special Transfer Program (commonly known as Chapter 220), under which the state provides aid to school districts to support voluntary efforts by school districts to reduce racial imbalance through interdistrict and intradistrict pupil transfers. The program was closed to new pupils seeking a transfer after the 2015–16 school year by 2015 Wisconsin Act 55.

Local: Redistribution of general/equalization aid and shift in general aid versus tax levy under a district's controlled revenues (under the revenue limit).

By restoring the Special Transfer Program, participating school districts will be able to receive state aid based on the number of pupils transferred in the prior school year. Integration aid is treated as a deductible receipt for the purpose of calculating a district's shared costs that are aided through the equalization portion of the general/equalization aid formula. This means that integration aid offsets shared costs and reduces the level of costs aided through the equalization component. This will result in a redistribution of aids in the general/equalization aid formula, not just for those districts that are eligible for integration aid, but also for other districts in the state. The Department cannot project the level of participation in the Special Transfer Program if it were restored; nor could the Department project the impact of continued participation in the program on the general/equalization aid eligibility in future years.

State:

The bill does not modify the state appropriation for general/equalization aid, thus there would be no fiscal impact on the state.

Long-Range Fiscal Implications