

Fiscal Estimate Narratives

DPI 3/9/2022

LRB Number	21-6092/1	Introduction Number	AB-1082	Estimate Type	Original
Description reporting on, and charging high schools for the cost of, remedial courses at University of Wisconsin System institutions					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, the University of Wisconsin System must determine and report on high schools that have graduated more than six students who, on the basis of their performance on placement tests in the preceding 12 months, are required to take remedial coursework in English or mathematics.

This bill requires the Board of Regents (BOR) to charge high schools that have graduated any student needing remedial coursework in English or mathematics for the cost of providing that student remedial coursework. The bill's provisions apply to schools that operate high school grades, including public school districts and independent charter schools, as well as private schools, regardless of whether the private school participates in one of the state's private school parental choice programs or the Special Needs Scholarship Program (SNSP). The bill also requires the BOR to complete and submit an annual report to the legislature detailing the cost of providing remedial coursework.

The bill provides that, if a high school fails to pay the charges assessed by the BOR, the Department of Public Instruction (DPI) must reduce take action to reduce state aid to schools. For school districts, the reduction would be applied to the district's state general aid payment, or if that is insufficient, its categorical aid; for independent charter schools, private choice schools, and SNSP private schools, the reduction would be applied to the state's per pupil payment to the school; and for private schools that do not participate in a choice program or the SNSP, the reduction would be made to any state aid paid to the private school. There are a few state aid programs under which this last category of private schools are eligible for state aid (e.g., state funded-nutrition programs and relatively small grant programs), though the amount of state aids received by this category of private schools is small.

Local Fiscal Impact: Indeterminate

The number of high school students requiring remediation will likely vary across Wisconsin; and, the cost of providing remedial coursework may vary across UW system institutions. DPI does not have information pertaining to the cost of providing remedial coursework that the BOR would charge to school districts. Further, DPI cannot project whether a school district, independent charter school, or any private schools would fail to pay the cost of providing remedial coursework and thus be subject to a reduction in their respective state aid to offset the amounts assessed by the BOR.

State Fiscal Impact: Indeterminate

There would be no impact on the appropriation for state aids under the bill. The bill does not direct DPI to redistribute the amounts captured through the aid reductions required under the bill. Thus, the amounts associated with the aid reductions would presumably remain in the state appropriation from which the aid is paid, and would lapse to the state's general fund at the close of each state fiscal year. DPI cannot reasonably project potential lapse amounts that could result from the bill.

The bill does not provide any resources for DPI to implement this provision, thus DPI would have to absorb the work within existing staff resources.

Long-Range Fiscal Implications