

## Fiscal Estimate - 2021 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

<b>LRB Number</b> <b>21-0993/1</b>	<b>Introduction Number</b> <b>AB-0031</b>	
<b>Description</b> State government response to COVID-19 pandemic, extending the time limit for emergency rule procedures, providing an exemption from emergency rule procedures, granting rule-making authority, and making an appropriation		
<b>Fiscal Effect</b>  <b>State:</b> <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect  <input type="checkbox"/> Indeterminate  <input checked="" type="checkbox"/> Increase Existing Appropriations  <input type="checkbox"/> Decrease Existing Appropriations  <input type="checkbox"/> Create New Appropriations                 </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Existing Revenues  <input type="checkbox"/> Decrease Existing Revenues                 </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget  <div style="display: flex; justify-content: space-between;"> <input type="checkbox"/> Yes                         <input type="checkbox"/> No                     </div> <input type="checkbox"/> Decrease Costs                 </div> </div> <b>Local:</b> <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No Local Government Costs  <input type="checkbox"/> Indeterminate  <div style="display: flex;"> <div style="width: 50%;">                         1. <input type="checkbox"/> Increase Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                          2. <input type="checkbox"/> Decrease Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                     </div> <div style="width: 50%;">                         3. <input type="checkbox"/> Increase Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                          4. <input type="checkbox"/> Decrease Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                     </div> </div> </div> <div style="width: 33%;"> <b>5. Types of Local Government Units Affected</b>  <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> Towns  <input type="checkbox"/> Counties  <input type="checkbox"/> School Districts                         </div> <div style="width: 33%;"> <input type="checkbox"/> Village  <input type="checkbox"/> Others  <input type="checkbox"/> WTCS Districts                         </div> <div style="width: 33%;"> <input type="checkbox"/> Cities                         </div> </div> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div> <b>Fund Sources Affected</b>  <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) (aq)                     </div> <div> <b>Affected Ch. 20 Appropriations</b> </div> </div>		
<b>Agency/Prepared By</b> DPI/ Erin Fath (608) 266-2804	<b>Authorized Signature</b> Robert A Soldner (608) 267-9124	<b>Date</b> 4/28/2021

## Fiscal Estimate Narratives

DPI 4/28/2021

LRB Number	21-0993/1	Introduction Number	AB-0031	Estimate Type	Original
<b>Description</b> State government response to COVID-19 pandemic, extending the time limit for emergency rule procedures, providing an exemption from emergency rule procedures, granting rule-making authority, and making an appropriation					

### Assumptions Used in Arriving at Fiscal Estimate

2020-21 pupil enrollment for per pupil aid: under the bill, for purposes of calculating per pupil aid in the 2020-21, 2021-22, and 2022-23 school years, a school district's pupil enrollment in the 2020-21 school year is the school district's pupil enrollment in the 2019-20 or 2020-21 school year, whichever is greater.

Pupil assessments and school and school district accountability report: under the bill, requirements to administer state-required pupil assessments do not apply in the 2020-21 school year: the tests administered to students in 4th, 8th, 9th, 10th, and 11th grade; the 3rd grade reading test; and the early literacy screener administered to students in 4K through 2nd grade.

Educator effectiveness: school boards and independent charter schools were prohibited from considering pupil performance on statewide assessments in evaluating teachers and principals in the 2019-20 school year. Under the bill, the prohibition against considering pupil performance on statewide assessments in evaluating teachers and principals also applies in 2020-21 school year.

School and school district accountability report: under current law, schools and school districts were not required to administer the WSAS in the 2019-20 school year and DPI is prohibited from publishing a school and school district accountability report in the 2020-21 school year. Under the bill, schools and school districts are not required to administer the WSAS in the 2020-21 school year and DPI is prohibited from publishing a school and school district accountability report in the 2021-22 school year (for which DPI would use data derived from pupil performance on student assessments administered in spring 2021).

#### Local Impact:

For per pupil aid, the impact of using the greater of the school district's pupil enrollment in the 2019-20 or 2020-21 school year would have the effect of increasing the pupil count, and therefore the per pupil aid payment, for districts in which enrollment decreased from 2019-20 to 2020-21 (381 school districts, ~90%). The per pupil aid appropriation is sum-sufficient, so full payment will be made to school districts. The per pupil aid program uses revenue limit membership, which itself is a three-year rolling average (current and two prior years). Therefore, the impact of this proposed change on per pupil aid distributed in the 2020-21, 2021-22, and 2022-23 school years will depend on pupil counts in the fall of 2021, 2022, and 2023, respectively.

The other changes proposed in the bill related to pupil assessments, educator effectiveness, and school and school district accountability reports would not have a direct fiscal impact on schools, though the prohibition on pupil assessments could reduce certain costs that schools incur when administering tests (e.g., staff or substitutes to proctor exams). DPI is not able to estimate those impacts (indeterminate).

#### State Impact:

The provision related to per pupil aid would have the effect of increasing the pupil count, and therefore the per pupil aid payment, for districts in which enrollment decreased from 2019-20 to 2020-21 (381 school districts, ~90%). However, because per pupil aid is based on a three-year rolling average pupil count, the impact of using the greater of fall 2019 or 2020 counts would have an impact that is 1/3 of the actual difference in the counts.

The other changes proposed in the bill related to pupil assessments, educator effectiveness, and school and school district accountability reports would not have a direct fiscal impact on DPI operations. Even if student assessments were cancelled for spring 2021, DPI has been operating in the current year under the assumption that those assessments would occur; thus, the work on those assessments continued (costs are primarily for contracts with vendors that develop the student assessments).

## Long-Range Fiscal Implications