

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

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|------------------------------------|---|
| LRB Number 21-4490/1 | Introduction Number AB-0854 |
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Description
 the authority of school boards to approve or deny owner-initiated petitions to detach and attach small territories of school districts and modifying a waiting period that applies to filing multiple petitions

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. Increase Costs

 Permissive Mandatory
 2. Decrease Costs

 Permissive Mandatory
 3. Increase Revenue

 Permissive Mandatory
 4. Decrease Revenue

 Permissive Mandatory

5. Types of Local Government Units Affected
 Towns
 Village
 Cities
 Counties
 Others
 School Districts
 WTCS Districts

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|--|---------------------------------------|
| Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS | Affected Ch. 20 Appropriations |
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| Agency/Prepared By DPI/ Carl Bryan (608) 267-9127 | Authorized Signature Erin Fath (608) 266-2804 | Date 1/20/2022 |
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Fiscal Estimate Narratives

DPI 1/20/2022

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|---|------------------|---------------------|----------------|---------------|-----------------|
| LRB Number | 21-4490/1 | Introduction Number | AB-0854 | Estimate Type | Original |
| Description the authority of school boards to approve or deny owner-initiated petitions to detach and attach small territories of school districts and modifying a waiting period that applies to filing multiple petitions | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

This bill eliminates the authority of the school board of a school district to approve or deny an owner-initiated petition to detach territory from the school district and attach the territory to an adjoining school district (reorganization). Under the bill, only the school board of the adjoining school district has the authority to approve or deny the proposed reorganization. The bill does not change the current law appeal process by a petitioner whose petition has been denied (to the School District Boundary Appeal Board).

Additionally, the bill modifies the waiting period so that it no longer applies to owner-initiated petitions related to small territory. In other words, under the bill, the waiting period applies only if more than one owner-initiated petition related to large territory that involves any of the same territory is filed within the statutory time frame.

Local: Indeterminate.

The bill eliminates the school district from which a small territory is petitioned to be detached from the small territory detachment and attachment process under current law. Section 117.25 (2), Stats., provides that assets and liabilities are assigned to the school districts under s. 66.0235, Stats., on the effective date of the reorganization. This includes assets and liabilities assigned proportionally to the affected school districts based on the ratio of the equalized valuation of the reorganized territory to the equalized valuation of all taxable property in the detaching school district. However, this process is influenced by the equalized value of the territory's property value and where the school districts (detaching or attaching) exist in the state's equalized value formula. This process does not change under the bill and impacts may change depending on individual school district behavior. Further, the cost to educate a student or students, including instructional needs, staffing, and transportation, must also be considered but cannot be estimated at this time. As a result, the fiscal implications of any an owner-initiated petition to detach a small territory from one school district to another school district as a result of the bill would be determined on a case-by-case basis and is therefore indeterminate.

State: No impact.

The department may be expected to change its guidance with respect to the changes proposed under the bill. Any change to department operations as a result of this bill would be absorbed within existing department resources. Further, no change is proposed in the appeal of a school's decision to the School District Boundary Appeal Board. There is therefore no fiscal impact to the state as a result of the bill.

Long-Range Fiscal Implications