

Fiscal Estimate Narratives

DPI 1/20/2022

LRB Number	21-5099/1	Introduction Number	SB-808	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