

Fiscal Estimate - 2021 Session

Original Updated Corrected Supplemental

LRB Number 21-5379/2 **Introduction Number** SB-832

Description
the provision of feminine hygiene products in school buildings and a school district revenue limit adjustment for costs of providing those products

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 3. Increase Revenue 5. Types of Local Government Units Affected

Permissive Mandatory Permissive Mandatory Towns Village Cities

2. Decrease Costs 4. Decrease Revenue Counties Others

Permissive Mandatory Permissive Mandatory School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**

GPR FED PRO PRS SEG SEGS

Agency/Prepared By	Authorized Signature	Date
DPI/ Erin Fath (608) 266-2804	Erin Fath (608) 266-2804	1/14/2022

Fiscal Estimate Narratives

DPI 1/14/2022

LRB Number	21-5379/2	Introduction Number	SB-832	Estimate Type	Original
Description					
the provision of feminine hygiene products in school buildings and a school district revenue limit adjustment for costs of providing those products					

Assumptions Used in Arriving at Fiscal Estimate

This bill requires each school district, operator of an independent charter school (ICS), and governing body of a private school participating in a parental choice program (choice schools) to provide free tampons and sanitary napkins in women's restroom facilities in buildings owned, leased, or occupied by the school board, operator, or governing body. Additionally, the bill creates a non-recurring revenue limit adjustment for a school district that incurs costs to comply with the bill.

Under current law, school districts are limited to raising property taxes according to the formula set in state law, known as the revenue limit. A school board can levy property taxes for general school operations equal to the district's total allowable revenue authority less state general aid. A school district's revenue authority is driven largely by its base revenues (state general aid plus property taxes levied from the prior year) and its revenue limit membership (full time equivalent, resident pupils).

School districts can raise their revenue limit by the allowable per pupil adjustment prescribed in state law, plus "exemptions" that are also specified in statute. Current law allows for several different exemptions to a district's revenue limit, some of which are recurring (built into the base permanently) and nonrecurring (one time, does not permanently increase the district's revenue authority).

This bill creates a new, nonrecurring revenue limit exemption that would allow a school district to raise their allowable revenue authority by the amount the district expended for tampons and sanitary napkins in that school year in women's restroom facilities in buildings owned, leased, or occupied by the school board. The school district would be allowed to utilize this revenue limit exemption only if a resolution is passed by the school board.

Local Impact: Indeterminate.

School districts, ICS, and choice schools would incur costs to provide these products and to install dispensers. Presumably, schools with existing pay-for-product dispensers would have to disable the payment mechanism on the dispenser, thereby eliminating any revenue to offset the cost of procuring the products. Schools might be able to lower costs somewhat by purchasing feminine hygiene products in bulk, similar to other bathroom products such as toilet paper and paper towels. However, unlike with toilet paper and paper towels, a district/school would likely need to provide some degree of options in the feminine hygiene products offered; thus, there may be less opportunity to save on costs by purchasing in bulk. Feminine hygiene products are costlier than toilet paper and paper towels, though they are used by a segment (rather than all) of a school's student/staff population. There is also the possibility of shrinkage (loss of products due to theft). Costs will vary from school to school the fiscal impact is indeterminate.

Regarding the impact of the revenue limit exemption, the fiscal impact will depend on the number of districts that utilize the exemption and their expenditures on feminine hygiene products. To the extent that a school district makes use of the new revenue limit exemptions, the property tax levy would increase for that year; however, because the bill specifies that the exemption would be nonrecurring, that tax property increase would be temporary (unless the school board adopts a resolution to use the exemption in subsequent years). DPI cannot project how many school districts are likely to utilize the revenue limit exemption if the bill were to become law.

Long-Range Fiscal Implications