

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-0572/1	Introduction Number AB-0192	
Description aid for transporting pupils between school districts that share services and making an appropriation		
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local: <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input checked="" type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input checked="" type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected Affected Ch. 20 Appropriations <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) (cr)		
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Fiscal Estimate Narratives

DPI 4/25/2023

LRB Number	23-0572/1	Introduction Number	AB-0192	Estimate Type	Original
Description aid for transporting pupils between school districts that share services and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, school districts that furnish transportation to and from public and nonpublic schools, and Independent Charter Schools that provide free pupil transportation, are entitled to receive state Pupil Transportation Aid. The aid amounts are based on the number of pupils transported in the previous school year (ridership). The rate of aid payment depends on the number of miles the pupil is transported, as specified in current law under Wis. State. sec. 121.58. Distances are measured from the pupil's residence to the school attended, following the shortest commonly traveled route.

Under current law, school boards that are in shared service agreements, in which pupils attend courses not offered in their home district, are not reimbursed for shuttling those students between districts.

This bill ensures that if a school board has entered into a shared services agreement with one or more school boards to provide transportation to pupils enrolled in a participating school district for offering a shared course, the school district must be paid Pupil Transportation Aid, according to the rates under Wis. Stat. sec. 121.58, based on the distance from the school in which the pupil is enrolled, to the school at which the shared services course is offered. This fiscal estimate will refer to aid payments for school districts in a shared services agreement as "shared services transportation aid".

The bill requires that shared services transportation aid be reduced proportionally based on the number of instructional days for which the transportation is provided.

The bill increases the existing appropriation under s. 20.255 (2) (cr) by \$150,000 beginning in 2024-25, for Pupil Transportation Aid payments distributed in the 2024-25 school year (based on ridership/distances in the 2023-24 school year).

The bill specifies that the appropriation is increased by the \$150,000 in fiscal year 2024-25 to provide state aid for transportation under Wis. Stat. sec. 121.54 (5m) [shared services transportation aid], as created in the bill.

Under current law, DPI calculates aid eligibility for school districts and ICS and distributes aid payments in January each year. If the Pupil Transportation Aid payments distributed in January are insufficient to fully pay aid eligibility, the aid payments are prorated; and if the appropriation exceeds the aid eligibility (after consideration of aid paid to school districts that transport pupils over ice, as required in current law), then the remaining funds in the appropriation are distributed in June, proportionate to the aid payments received by each recipient in the January payments (except that total aid received by a district/ICS cannot exceed actual transportation costs). Aid claims have been lower than the appropriation for several years; thus, Pupil Transportation Aid recipients have received an initial payment in January and a second payment in June, for many years.

State fiscal effects: Increase aids, indeterminate

This bill would increase the appropriation by \$150,000 starting in fiscal year 2024-25. However, for the 2024-25 school year, actual expenditures from the additional \$150,000 would depend on claims submitted for shared services transportation aid. DPI cannot accurately project how many school districts may enter into a shared services agreement and transport pupils to a non-resident district under the agreement, so as to generate eligibility for shared services transportation aid.

Because the bill creates a new component for Pupil Transportation Aid, additional administrative work would be required for initial implementation (e.g., programming applications so that districts can reports data on shared services transportation); however, that work could be absorbed by existing staff.

Local fiscal effects: Increase revenues, indeterminate

This bill would provide additional funding to cover student transportation costs that were not previously allowable under S. 20.255 (2) (cr). This would increase revenues to school districts that are eligible and submit a claim for shared services transportation aid. DPI does not have data on how many pupils are transported to a non-resident district to take courses under shared service agreements between school districts. The impact on school districts is therefore indeterminate.

Long-Range Fiscal Implications

Under the bill, the language that specifies that the appropriation is increased by the \$150,000 in fiscal year 2024-25 to provide state aid for transportation under Wis. Stat. sec. 121.54 (5m) [shared services transportation aid] is created as statutory language (session law). As such, it would expire after the current legislative session. Thereafter, the appropriation would continue at \$24,150,000 after the 2024-25 fiscal year and would be available for both regular and shared services transportation aid.