

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-0580/1	Introduction Number AB-0279
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Description
 restricting a school district's authority to increase its revenue limit by referendum

Fiscal Effect

State:

- No State Fiscal Effect
- Indeterminate
- Increase Existing Appropriations
- Decrease Existing Appropriations
- Create New Appropriations
- Increase Existing Revenues
- Decrease Existing Revenues
- Increase Costs - May be possible to absorb within agency's budget
- Yes No
- 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

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/ Erin Fath (608) 266-2804	Authorized Signature Erin Fath (608) 266-2804	Date 6/6/2023
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Fiscal Estimate Narratives

DPI 6/6/2023

LRB Number	23-0580/1	Introduction Number	AB-0279	Estimate Type	Original
Description restricting a school district's authority to increase its revenue limit by referendum					

Assumptions Used in Arriving at Fiscal Estimate

This bill prohibits a school board from initiating the process for a capital referendum for borrowing – other than for maintenance expenses – if the school district received lower than a specified score for pupil achievement in reading and mathematics on the most recent school and school district accountability report.

The threshold score for this purpose depends on the district's enrollment:

- For a school district with enrollment of 2,000 or more pupils, the overall pupil achievement score must be at least 60 (of a 100-point scale); and,
- For a school district with enrollment of less than 2,000 pupils, the overall pupil achievement score must be at least 50 (of a 100-point scale).

The bill also requires DPI to use a 100-point scale for certain measures that are required to be included in the school and school district accountability report, including pupil achievement in reading and mathematics.

Using the most recent accountability reports published in Fall 2022 (for the 2021-22 school year), there were a total of 324 school districts whose enrollment was less than 2,000, of which 45 received a District Achievement Score that was less than 50. For the remaining 97 school districts with enrollment at or above 2,000, there were 32 districts with a District Achievement Score that was less than 60.

Therefore, if this bill were in effect presently, based on the accountability reports published in Fall 2022, a total of 77 school districts (18%) would have met the criteria in the bill. Thus, the school boards of those 77 school districts (or the electors of the districts at a regularly called school board meeting) would have been prohibited from adopting a resolution that would result in an increase to the school district's revenue limit under s. 121.91 (4) (c) - that is, bring forth a capital referendum, as long as the purpose of the borrowing is other than for maintenance expenses].

The fiscal impact of this bill is indeterminate for a few reasons: DPI cannot project which school districts would meet the criteria in the bill to be subject to the prohibition on capital referenda in future years; nor can DPI project which school districts will consider a resolution for a capital referendum (or for the amount of the capital referendum) in the future.

Long-Range Fiscal Implications