

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-2265/1	Introduction Number AB-0873	
Description reimbursing teachers for classroom supplies, granting rule-making authority, and making an appropriation		
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate		
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs	
Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input 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 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 (3) (cm) [New]		
Agency/Prepared By DPI/ Morgan Hau (608) 264-9559	Authorized Signature Erin Fath (608) 266-2804	Date 1/10/2024

Fiscal Estimate Narratives

DPI 1/10/2024

LRB Number	23-2265/1	Introduction Number	AB-0873	Estimate Type	Original
Description reimbursing teachers for classroom supplies, granting rule-making authority, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

This bill requires, starting in the school year 2025-26, DPI to annually reimburse full time teachers in public, charter, or private schools for certain allowable costs. The bill would be effective July 15, 2025.

Teachers would be eligible to receive up to \$250 in reimbursement for the purchase of eligible classroom supplies. DPI could reimburse a teacher for no more than \$250 in total for any school year.

Only full-time teachers would be eligible to apply for reimbursement. The term "teacher" excludes paraprofessionals, substitute teachers, and administrators for purposes of the program created by the bill (i.e., they would not be eligible to apply for reimbursement for purchase of classroom supplies).

Under the bill, DPI would be required to promulgate an administrative rule to clarify what constitutes eligible supplies, though the bill specifies that eligible supplies does not include curricula or electronic devices.

Under the bill, DPI would have authority to audit payments made to reimbursement recipients as the department determines to be necessary.

State Impact: Increase Costs/Indeterminate

This bill would increase outlays from the state's general fund and would increase operational costs for DPI.

In the 2022-23 school year, there were approximately 61,600 licensed teachers in public schools. This figure includes teachers working in:

school districts [60,596]

independent Charter School Governance Board (ICS) [682]

the state's two residential schools (WCBVI and WESP-DHH) [40]

Cooperative Education Service Agencies (CESAs) [189]

County Children with Disabilities Education Boards (CCDEBs) [66]

other state agencies (Dept. of Health Services, Dept. of Corrections) [50]

(Source: DPI teacher licensure data, Staff Report, unduplicated headcount)

There are approximately 11,400 teachers in private K-12 schools in Wisconsin (source: National Center for Education Statistics (NCES), 2019-20 school year, full time equivalent [FTE]). Because the NCES data on private school teachers reports the number of FTE, rather than headcount, the number of individual private school teachers who could be eligible for the reimbursement might be understated here.

If every teacher in the public and private K-12 schools and institutions listed above were to apply for and receive the maximum amount permitted under the bill, the total amount would be approximately 72,800 teachers x \$250 = \$18.2 million. The actual reimbursements each year would depend on the number of teachers submitting receipts and the amount spent on eligible supplies. Those amounts cannot be predicted. Thus, the impact on the state's general fund is indeterminate, with an upper limit of approximately \$18.2 million annually.

DPI Operations

DPI does not have the administrative infrastructure to receive the potentially very high volume of applications from individual teachers, process applications, and administer payments, let alone to conduct audits to ensure the expenses are eligible. DPI would need to develop an online system to meet the demands of the applications. This would increase annual operations costs with increased staffing costs. While the bill provides no additional funding for DPI operations, the cost of 1.0 FTE position (e.g., Education Specialist) would cost approximately \$90,000 annually for salary, fringe benefits, fixed (overhead) costs, and IT support. The cost of an online application for the proposed program is not known at this time; likely there would higher costs initially

as the system is built, and more modest ongoing costs for maintenance. These costs would be in addition to the cost of a permanent position to administer the program.

Long-Range Fiscal Implications

This bill would increase DPI's operational costs as well as establish an ongoing appropriation, starting in school year 2025-26. The long-term fiscal implications depend entirely on the number of teachers submitting receipts and the amounts for which they would be eligible.