

Fiscal Estimate - 2023 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 23-2884/1	Introduction Number SB-0276	
Description restricting a school district's authority to increase its revenue limit by referendum		
Fiscal Effect <div style="display: flex;"> <div style="flex: 1;"> State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="display: flex; justify-content: space-between;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div> </div> </div>		
Local: <div style="display: flex;"> <div style="flex: 1;"> <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 30%;"> 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input checked="" type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory </div> </div> </div> <div style="flex: 1;"> 5. Types of Local Government Units Affected <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> Towns <input type="checkbox"/> Counties <input checked="" type="checkbox"/> School Districts </div> <div style="width: 30%;"> <input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts </div> <div style="width: 30%;"> <input type="checkbox"/> Cities </div> </div> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div> 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 </div> <div> Affected Ch. 20 Appropriations </div> </div>		
Agency/Prepared By DPI/ Erin Fath (608) 266-2804	Authorized Signature Erin Fath (608) 266-2804	Date 6/6/2023

Fiscal Estimate Narratives

DPI 6/6/2023

LRB Number	23-2884/1	Introduction Number	SB-0276	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