

## ADMINISTRATIVE RULES FISCAL ESTIMATE AND ECONOMIC IMPACT ANALYSIS

Type of Estimate and Analysis

Original     Updated     Corrected

Administrative Rule Chapter, Title and Number

PI 48, Parental Choice Program for Eligible School Districts and Other School Districts

Subject

Parental Choice Program for Eligible School Districts and Other School Districts

Fund Sources Affected

GPR     FED     PRO     PRS     SEG     SEG-S

Chapter 20, Stats. Appropriations Affected

Fiscal Effect of Implementing the Rule

No Fiscal Effect  
 Indeterminate

Increase Existing Revenues  
 Decrease Existing Revenues

Increase Costs  
 Could Absorb Within Agency's Budget  
 Decrease Costs

The Rule Will Impact the Following (Check All That Apply)

State's Economy

Local Government Units

Specific Businesses/Sectors

Public Utility Rate Payers

Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes     No

Policy Problem Addressed by the Rule

The 2011-13 budget, 2011 Wisconsin Act 32, created the Parental Choice Programs for Eligible School Districts under s. 118.60, Stats. The 2013-15 budget, 2013 Wisconsin Act 20, significantly modified s. 118.60, Stats., including creating the Parental Choice Program for Eligible School Districts and Other School Districts. The 2015-17 budget, 2015 Wisconsin Act 55, further modified s. 118.60, Stats., and included a new funding mechanism for how choice pupils are counted and aided. The DPI is proposing to create a rule to govern the implementation and administration of both programs.

Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

Local:

2015 Wisconsin Act 55 modified the Parental Choice Program for eligible schooldistricts and eligible schooldistricts under s. 118.60, Stats., (Racine and Wisconsin Parental Choice Programs) and included a new funding mechanism for how choice pupils are counted and aided. Under Act 55, students that participated in the program prior to the 2015-16 school year will continue to be fully funded from state general purpose revenue. Pupils who begin attending a private school under the Racine or Wisconsin Parental Choice Programs in the 2015-16 school year and thereafter are referred to as "incoming pupils." The incoming pupil's resident school will have its state general aid reduced by an amount equal to the amount paid by the state to participating private schools attributable to the incoming pupils. There is no economic impact on schooldistricts or private schools with respect to the rule because the rule is created to align administrative code with statute.

State:

No fiscal effect.

Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

The rule will be created to reflect statutory changes and changes in practice. Without a rule, there will be no rules to govern the implementation of s. 118.60, Stats., and the Department will be in violation of its requirement under 118.60 (11) (a), Stats., to promulgate administrative rules for the purpose of implementing the Parental Choice Program.

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| <b>Long Range Implications of Implementing the Rule</b>   |
| The proposed rule will create a new rule chapter to further align the DPI Administrative Code with the Wisconsin Statutes as modified by 2015 Wisconsin Act 55 and other legislation with respect to the Parental Choice Program for eligible school districts and other school districts. Statute, rule, and agency practice will be consistent. |
| <b>Compare With Approaches Being Used by Federal Government</b>   |
| N/A   |
| <b>Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)</b>  |
| N/A   |
| <b>Name and Phone Number of Contact Person</b>  |
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