



## Fiscal Estimate Narratives

DPI 6/8/2007

LRB Number <b>07-2390/2</b>	Introduction Number <b>AB-0343</b>	Estimate Type <b>Original</b>
<b>Description</b> Increasing the low-revenue ceiling for school district revenue limit purposes		

### Assumptions Used in Arriving at Fiscal Estimate

Current law limits the amount that each school district can increase per pupil revenue over the per pupil revenue of the prior school year. This limit does not apply to school districts in which the amount of per pupil revenue is less than a statutory revenue ceiling, currently set at \$8,400. This bill increases the per pupil revenue ceiling to \$8,700 for the 2007-08 school year and to \$9,000 for any subsequent school year.

State Fiscal Effect - None. No state school aid appropriations are affected by this bill.

### Local Fiscal Effect

Using 2006-07 information, an estimated 89 school districts would be eligible to take advantage of a low-revenue ceiling of \$8,700 in 2007-08 and an estimated 99 districts would be eligible under a low-revenue ceiling of \$9,000 in 2008-09. If all school districts fully utilized the additional revenue limit authority under the bill, they would raise additional estimated revenue of \$5.3 million in 2007-08 and an additional \$4.5 million in 2008-09. An indeterminate portion of this revenue could come from local property tax levies.

### Long-Range Fiscal Implications