Fiscal Estimate - 2009 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

LRB Number 09-2400/3	Introduction Number AB-0593

Description
Special adjustment aid to school districts

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
☒ GPR ☒ FED ☐ PRO ☐ PRS ☐ SEG ☐ SEGS

Affected Ch. 20 Appropriations
20.255(2)(ac); 20.255(2)(p)

Agency/Prepared By	Authorized Signature	Date
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Assumptions Used in Arriving at Fiscal Estimate

Currently, a school district's state general school aid amount in any school year is guaranteed to equal at least 85 percent of the state aid amount that the school district received in the previous school year. This bill provides that, beginning in the 2010–11 school year, a school district's state aid amount in any school year is also guaranteed to equal at least $1,000 multiplied by the number of pupils enrolled in the school district in the previous school year. The $1,000 per pupil amount is increased each year by the increase in the consumer price index. The bill does not appropriate additional funds to achieve the result described above; instead, state aid to all school districts is redistributed to achieve that result.

State Fiscal Effect: This bill does not change the amount of state general school aid, but it would redistribute state aid to districts. Thus there is no state fiscal effect.

Local Fiscal Effect: This bill would redistribute state general school aid among districts, compared to current law. Using data for the 2009-10 general school aid payment, the department estimates that the bill would have resulted in a redistribution of approximately $84.8 million in 2009-10, out of a total general school aid payment of $4,652 million; a redistribution of approximately 1.8% of total aid. It is also estimated that 265 out of 426 districts (62%) would have received increased general school aid while 161 districts would have received less.

** These estimates and comparisions are only applicable and valid for 2009-10 general school aid payments. The redistribution amount and affected districts will be different for any future fiscal year.

Long-Range Fiscal Implications

The possible redistributive effect of this bill on future state general school aid payments for any given district is indeterminant.