

### Fiscal Estimate - 2019 Session

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>19-1275/1</b>	Introduction Number <b>AB-0456</b>
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**Description**  
 grants for feasibility studies of school district consolidation or whole grade sharing and making an appropriation

**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**      **Affected Ch. 20 Appropriations**

GPR   
  FED   
  PRO   
  PRS   
  SEG   
  SEGS 20.255 (2) (bt)

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## Fiscal Estimate Narratives

DPI 10/1/2019

LRB Number	19-1275/1	Introduction Number	AB-0456	Estimate Type	Original
<b>Description</b> grants for feasibility studies of school district consolidation or whole grade sharing and making an appropriation					

### Assumptions Used in Arriving at Fiscal Estimate

This bill creates a new, continuing appropriation for grants to consortia of school districts, to be used for feasibility studies of school district consolidation or entering into a whole grade sharing (WGS) agreement. The bill requires DPI to award grants of up to \$10,000 per eligible applicant, defined as a consortium of two or more school districts. At \$250,000, the appropriation could support at least 25 grant awards, assuming the maximum permitted amount is awarded; more grants could be provided if amounts less than \$10,000 were awarded.

Under the bill, funds are appropriated in FY20 only. However, because it is proposed as a continuing appropriation, any uncommitted budget authority remaining at the end of FY20 would carryover into the following FY21, for use by the department to make grants. The uncommitted budget authority remaining at the end of FY21 and subsequent fiscal years would carry over to the following fiscal year, until the budget authority is fully exhausted - at which time, there would no longer be funding for the studies, unless the Legislature were to appropriate additional funding in the appropriation.

Local: Increase Revenue, Permissive

Consortia of two or more school boards are eligible to receive a grant of no more than \$10,000 to fund the study of school district consolidation or whole grade sharing agreements. The department has no data available to assess how many consortia may apply for this grant, but the appropriation provides sufficient funding for at least 25 grants of \$10,000 each.

State: Create New Appropriation

While funds are appropriated in FY20 under the bill, there would be no actual expenditures, and thus no impact on the state's general fund, until such time as an eligible applicant is awarded a grant per the criteria under the bill. The department has no data to assess whether grant applications are likely to be received in FY20 or for years thereafter.

### Long-Range Fiscal Implications