

Fiscal Estimate - 2015 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 15-3317/1	Introduction Number AB-0462
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Description
 Medicaid expansion, eligibility for BadgerCare Plus and BadgerCare Plus Core, and ending the statewide parental choice program

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input checked="" type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input checked="" type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
		<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities
		<input type="checkbox"/> Counties <input type="checkbox"/> Others
		<input checked="" type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	20.255(2)(fr)

Agency/Prepared By DPI/ Carl Bryan (608) 267-9127	Authorized Signature Erin Fath (608) 266-2804	Date 11/6/2015
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Fiscal Estimate Narratives

DPI 11/6/2015

LRB Number	15-3317/1	Introduction Number	AB-0462	Estimate Type	Original
Description Medicaid expansion, eligibility for BadgerCare Plus and BadgerCare Plus Core, and ending the statewide parental choice program					

Assumptions Used in Arriving at Fiscal Estimate

For the purpose of this analysis, the Department of Public Instruction will focus on the provisions related to ending the statewide parental choice program.

This bill phases out the statewide parental choice program and requires the Department of Health Services (DHS) to take the necessary steps to receive federal Medicaid expansion funding.

Under this bill, beginning in the 2016–17 school year, no pupil may attend a private school under the statewide parental choice program unless the pupil was attending the private school under the statewide parental choice program in the 2015–16 school year. Also under the bill, beginning in the 2016–17 school year, no private school participating in the statewide parental choice program or the Racine parental choice program may accept a pupil who resides in a school district other than the Racine Unified School District or the Milwaukee Public School District unless the pupil attended that private school under the statewide parental choice program in the 2015–16 school year. In other words, no pupil may enter the statewide parental choice program after the 2015–16 school year. This limitation effectively ends the statewide parental choice program when all of the pupils who attended a private school under the statewide parental choice program during the 2015–16 school year have exited the program.

Local:

"Continuing Pupils"

Because the costs of payments for continuing choice pupils are borne directly by the state's general fund, there would be no fiscal impact on a school district as the continuing pupils exit the program.

"Incoming Pupils"

The bill does not alter the funding mechanism for incoming choice pupils (revenue limit exemption, general aid reduction). Thus, under the bill, school districts would experience a gradual decrease in the reduction to their general aid payments, as the "incoming" choice pupils exit the program. School districts' general aid payments may be further affected by the "loss" of membership, because the incoming pupils would no longer be included in the districts' pupil counts for general aid. Additionally, the amount a school district would receive in the form of a non-recurring revenue limit exemption that can be used in setting the tax levy will also decrease, eventually to zero. Because the rate in which the incoming pupils will exit the statewide choice program is unknown, the local fiscal impact as a result of this bill is indeterminate.

State:

"Continuing Pupils"

Because "continuing" pupils would continue to be funded through a separate general purpose revenue appropriation, the exit of the continuing pupils from the choice program will result in lower costs to the state over time. The rate at which continuing choice pupils exit the statewide choice program is unknown, thus, the rate at which the state's expenditures will decrease is indeterminate.

"Incoming Pupils"

The cost to the state for pupils who enrolled in the statewide parental choice program in 2015-16 (incoming pupils) is completely offset by a reduction to the general aid payment of the public school districts in which the incoming choice pupils reside. Therefore, the exit of incoming pupils from the statewide program will have no net effect on the state's

general fund. "Incoming" pupils with a non-recurring revenue limit exemption is borne completely by the local tax levy, resulting in no impact on the state.

Long-Range Fiscal Implications