

SPONSOR(S): ALD. BOHL

AMENDMENT 43

DEPARTMENT	BUDGET EFFECT	TAX LEVY EFFECT	TAX RATE EFFECT PER \$1,000
SPECIAL PURPOSE ACCOUNTS – MISCELLANEOUS	\$+0	\$+0	\$+0.000

AMENDMENT INTENT

This amendment increases funding for the MPS Driver's Education Special Purpose Account by \$50,000. It is offset by eliminating \$50,000 in funding for the Children's Savings Accounts Special Purpose Account.

BACKGROUND

1. The 2017 Proposed Budget provides \$50,000 to continue the MPS Driver's Education Special Purpose Account, which supports an MPS pilot initiative to offer free driver's education to some students. The purpose of driver's education is to help youth avoid traffic violations that result in suspended driver's licenses. This project is anticipated to start at four MPS schools in 2016.
2. The Children's Savings Account (CSA) working group was formed in response to a Milwaukee Growing Prosperity Plan action item to investigate national children's savings account models that change aspirations of students of low-income families. The program will be launched in the 2017-18 school year, starting with MPS kindergartners. The goal is to offer every MPS child a \$25 seed deposit that families can contribute to and receive matches of comparable amounts. The intent of the program is to ensure that all children, especially the most vulnerable, have the opportunity to plan for a future that includes post-secondary education. Data provided in a 2016 Milwaukee Promise report on employment and income shows that students from high-income families are more likely to attend college than those from lower-income families; however establishing a CSA program can help to reduce this disparity. Research shows that children's with a small amount for college savings are three times more likely to enroll in college and four times more likely to graduate. The Milwaukee CSA program is a public-private partnership.
3. The Children's Savings Account Special Purpose Account is a new SPA for 2017, funded at \$50,000.

DISCUSSION

1. This amendment increases the funding for the MPS Drivers Education Special Purpose Account by \$50,000, bringing the SPA total to \$100,000.
2. This amendment decreases the funding for the Children's Savings Account Special Purpose Account by \$50,000, reducing the SPA total to \$0.

EFFECT

1. The budget effect of this amendment is \$+0.
2. The tax levy effect of this amendment is \$+0.

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Legislative Reference Bureau
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