

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1801-01  
Bill No.: SB 481  
Subject: Education, Elementary and Secondary; Elementary and Secondary Education  
 Dept; Children and Minors; Disabilities  
Type: Original  
Date: March 7, 2005

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	\$21,000,000	\$21,000,000	\$21,000,000
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$21,000,000</b>	<b>\$21,000,000</b>	<b>\$21,000,000</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Local Government</b>	<b>(\$21,000,000)</b>	<b>(\$21,000,000)</b>	<b>(\$21,000,000)</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

According to officials from the **Department of Elementary and Secondary Education (DESE)**, this proposal shifts responsibility away from the state and toward local school districts regarding payment of special education services. DESE estimates a savings to state funds totaling \$21 million and an offsetting cost to school districts totaling \$21 million.

Officials from the **Special School District of Saint Louis County** did not respond to a request for fiscal note.

<b><u>FISCAL IMPACT - State Government</u></b>	<b>FY 2006 (10 Mo.)</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>GENERAL REVENUE</b>			
<b><u>Savings</u> - Department of Elementary and Secondary Education - Special Education Services</b>	\$21,000,000	\$21,000,000	\$21,000,000
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>\$21,000,000</u></b>	<b><u>\$21,000,000</u></b>	<b><u>\$21,000,000</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
<b>SCHOOL DISTRICTS</b>			
<u>Cost</u> - Special Education Services	(\$21,000,000)	(\$21,000,000)	(\$21,000,000)
<b>ESTIMATED NET EFFECT ON SCHOOL DISTRICTS</b>	<b><u>(\$21,000,000)</u></b>	<b><u>(\$21,000,000)</u></b>	<b><u>(\$21,000,000)</u></b>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

Currently, the definition of "severely handicapped children" includes handicapped children under the age of 21 who, because of the extent of the handicapping condition, are unable to benefit from or meaningfully participate in programs in the public schools for handicapped children. This proposal alters the aforementioned definition by striking the current provisions and instead inserts language so the definition only includes those children who meet the eligibility criteria for severely handicapped children as identified in state regulations that implement the Individuals With Disabilities Education Act.

Further, the proposed legislation deletes two sections of current law that require the state board of education to provide special education services for all severely handicapped children residing in school districts if such school districts are unable to provide appropriate programs of special instruction for severely handicapped children.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

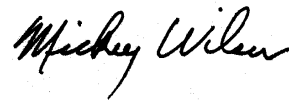
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SOURCES OF INFORMATION

Department of Elementary and Secondary Education

NOT RESPONDING

**Special School District of Saint Louis County**



Mickey Wilson, CPA  
Director  
March 7, 2005