

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3993-01  
Bill No.: Perfected SJR 31  
Subject: Education, Elementary and Secondary; Bonds-General Obligation  
Type: Original  
Date: April 11, 2006

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
General Revenue	(\$52,560)	\$0	\$0
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$52,560)</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
<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 2007</b>	<b>FY 2008</b>	<b>FY 2009</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 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

According to officials from the **Department of Elementary and Secondary Education (DESE)**, this proposal would have no fiscal impact on their agency.

DESE assumes this proposal would increase the aggregate bond limit of school districts by billions of dollars. The actual effects of this proposal at the local level are dependent on the actions of the local school board in each district presenting bond issues to the voters and the actions of their local voters in approving or defeating proposed bond issues.

Officials from the **Office of Secretary of State (SOS)** indicate that statewide newspaper publication of state statutes cost approximately \$1,752 per column inch based on estimates provided by the Missouri Press Service x 3 for multiple printings as required by the Constitution and state statute = \$5,256 per column inch. SOS estimates total number of inches for this amendment to be 10 inches, which includes title header and certification paragraph (\$5,256 x 10 inches = \$52,560).

If a special election is called for this purpose rather than being voted on at a general election, the cost of the special election has been estimated to be \$1.2 million based on the cost of the past two such elections.

**ASSUMPTION** (continued)

Officials from the **Parkway and Independence School Districts** do not foresee a fiscal impact to their districts resulting from this proposal.

Officials from the **Poplar Bluff School District** assume this proposal could have a positive fiscal impact on schools by allowing a school more flexibility as it plans for growth and building improvements.

**Oversight** assumes that the proposed constitutional amendment, if approved by the voters, only gives school districts the option of increasing the level of bond indebtedness and requires a local election to do so. Therefore, no estimate of fiscal impact to school districts is assigned.

<u>FISCAL IMPACT - State Government</u>	FY 2007	FY 2008	FY 2009
<b>GENERAL REVENUE</b>			
<u>Cost - Office of Secretary of State</u>			
Publication expenses	<u>(\$52,560)</u>	\$0	\$0
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(\$52,560)</u></b>	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2007	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposed constitutional amendment, if approved by the voters, elevates the allowable level of bonded indebtedness for school districts from 15% to 20%.

DESCRIPTION (continued)

This legislation is not federally mandated, would not duplicate any other program and would not

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require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education  
Office of Secretary of State  
Division of Elections  
School Districts  
Parkway  
Independence  
Poplar Bluff



Mickey Wilson, CPA  
Director  
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