

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5133-01
Bill No.: HB 2191
Subject: Education, Elementary and Secondary; Elementary and Secondary Education
 Department
Type: Original
Date: March 4, 2008

Bill Summary: Allows school districts to participate in the A+ Schools Program
 irrespective of their accreditation status.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	\$0	\$0	(\$0 or Up to \$921,840)
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	(\$0 or Up to \$921,840)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Secretary of State (SOS)** assume many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact to the SOS office for Administrative Rules for this proposal is less than \$2,500. The SOS recognizes this is a small amount and does not expect additional funding would be required to meet these costs. However, SOS also recognizes that many such bills may be passed in a given year and that collectively the costs may be in excess of what the SOS can sustain with their core budget. Any additional required funding would be handled through the budget process.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume that this proposal currently would allow students from St. Louis City and Wellston to participate in the A+ program provided they meet all other requirements.

The enrollment of 11th grade students for Wellston is 26 and St. Louis City is 1,801. DESE estimates that twenty-five percent of those students would become eligible for A+ reimbursement and of that number only twenty-five percent would take advantage of the program. This assumption would result in a pool of 115 students.

Assuming \$334 as the average cost per credit hour of 25 public community colleges and vocational and technical schools and assuming 12 credit hours in the first year, costs for two semesters would be \$921,840. Costs for the second year would likely double as the number of students would remain the same.

DESE would require an additional FTE accounting specialist.

Oversight notes that, according to information on the DESE web site, Division of School Improvement: A+ Schools, "In most cases, high schools spend three years implementing the program by upgrading curriculum, reducing dropout rates, promoting high student achievement and establishing business advisory councils." **Oversight** will assume, for fiscal note purposes, that the program would not be in place until at least FY 2011 based on the statement from the DESE web site regarding a three year implementation period. If these schools seek A+ designation and additional personal services are needed for additional students in the program, those resources can be sought through the budget process.

Officials from the **Charleston School District** state this proposal will not affect their school

ASSUMPTION (continued)

district as they are already part of the A+ program.

Officials from the **St Louis Public School District** state no funds are used from the General Operating Budget, but this proposal would eliminate the burden from their Development Department from attempting to raise money beyond the 2010 program. No direct fiscal impact is indicated.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
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GENERAL REVENUE

<u>Cost - Department of Elementary and Secondary Education - Reimbursements for additional A+ students</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$0 or Up to \$921,840)</u>
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ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0</u>	<u>\$0</u>	<u>(\$0 or Up to \$921,840)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This proposed legislation states that a school district may participate in the A+ Schools Program regardless of its accreditation status by the State Board of Education if the district meets all other requirements.

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
Office of Secretary of State
Administrative Rules Division
School Districts
St Louis City
Charleston

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial 'M' and a long, sweeping underline.

Mickey Wilson, CPA
Director
March 4, 2008