

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0238-01
Bill No.: SB 51
Subject: Education, Elementary and Secondary; Boards, Commissions, Committees, Councils; Elementary and Secondary Education Department
Type: Original
Date: February 24, 2009

Bill Summary: Requires the State Board of Education to classify a charter school as “unaccredited” based on annual performance review scores

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
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 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
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 2010	FY 2011	FY 2012
Local Government	(Unknown - Could Exceed \$100,000)	(Unknown - Could Exceed \$100,000)	(Unknown - Could Exceed \$100,000)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education** state there would be impact to districts of residence if students go back to their original districts from the charters. Districts will be impacted in terms of student-teacher ratios, special education issues, and transportation. These costs cannot be estimated.

Officials from the University of Missouri - Kansas City stated they reviewed an study where the audited revenue per student in Missouri charter schools was about \$2,700 less per student then the Kansas City Missouri Public School District (KCMSD) and the St Louis Public School District (SLSD). If all the charter schools in Missouri were to close and the 14,000 students now attending charter schools in Missouri were to return to KCMSD and SLSD, the combined state, federal and local revenues would need to increase by \$37,800,000.

Officials from the **University of Missouri - St Louis** stated this proposal would cause them no fiscal hardship.

Officials from the **University of Missouri** state a negative fiscal impact may occur due to students not enrolling in a school designated as “unaccredited”.

Oversight assumes there could be an unknown fiscal impact on school districts and will range the impact as (Unknown - Could Exceed \$100,000).

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
LOCAL POLITICAL SUBDIVISIONS			
<u>Cost - School Districts - Expenses</u> associated with students leaving charter schools and returning to school districts	(Unknown - Could Exceed <u>\$100,000</u>)	(Unknown - Could Exceed <u>\$100,000</u>)	(Unknown - Could Exceed <u>\$100,000</u>)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>(Unknown - Could Exceed \$100,000)</u>	<u>(Unknown - Could Exceed \$100,000)</u>	<u>(Unknown - Could Exceed \$100,000)</u>

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 requires the State Board of Education to classify as “unaccredited” any charter school that attains an annual performance review score consistent with the classification of "unaccredited" within sixty days of the publication of the annual performance review data. A charter school that is classified as unaccredited for two successive school years will have its charter revoked on June 30th of the second full school year of classification as unaccredited after the school year during which the unaccredited classification is initially assigned.

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

L.R. No. 0238-01
Bill No. SB 51
Page 5 of 5
February 24, 2009

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Charter School Sponsors
University of Missouri - Kansas City
University of Missouri
University of Missouri - St Louis



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Director
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