

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1323-01
Bill No.: SB 253
Subject: Education, Elementary and Secondary; Elementary and Secondary Education Department
Type: Original
Date: March 8, 2011

Bill Summary: This proposal modifies provisions relating to summer school attendance.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	\$30,591,321	\$30,591,321	\$30,591,321
Total Estimated Net Effect on General Revenue Fund	\$30,591,321	\$30,591,321	\$30,591,321

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
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 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
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 2012	FY 2013	FY 2014
Local Government	(\$30,591,321)	(\$30,591,321)	(\$30,591,321)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education** state that this bill stipulates that summer school Average Daily Attendance(ADA) is generated only by core courses. Core courses makeup 54.25% of the ADA for the summer school completed in 2010. By taking the total summer school ADA for 2010 (18246.1441) and multiply that by the average amount per WADA(\$3,628.74) the total is \$66,510,513. If the ADA for only the core courses is used, the total is \$3,628.74 X 9898.53=\$35,919,192. That is a difference of \$30,591,321.

It should be noted that summer school enrollment dropped drastically last year due to uncertainty about whether summer school would be funded. If the data for the 2009 summer school is used with the same methodology, then the amount of difference would be \$111,557,670 - 59,627,565=\$51,930,106. In both cases the amount used for only core courses creates a substantial savings to the state.

Oversight assumes the data provided for 2010 should be used for the calculation of savings related to summer school restrictions.

Officials from the **Parkway School District** assumed this proposal would result in reduction of state revenue in excess of \$100,000.

Officials from the **Special School District of St Louis County** assume this proposal would result in a loss to their district of about \$708,000 per based on summer school attendance from the last school year.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
GENERAL REVENUE			
<u>Savings</u> - Department of Elementary and Secondary Education - Reduced state aid for summer school	<u>\$30,591,321</u>	<u>\$30,591,321</u>	<u>\$30,591,321</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	\$30,591,321	\$30,591,321	\$30,591,321

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
LOCAL POLITICAL SUBDIVISIONS			
<u>Loss</u> - School Districts - Reduction in state aid due to disallowance of non-academic or enrichment programs for summer school.	<u>(\$30,591,321)</u>	<u>(\$30,591,321)</u>	<u>(\$30,591,321)</u>
ESTIMATED NET EFFECT ON LOCAL SUBDIVISIONS	<u>(\$30,591,321)</u>	<u>(\$30,591,321)</u>	<u>(\$30,591,321)</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

§163.036

Beginning with the 2011-2012 school year, summer school attendance to be included in average daily attendance will only count attendance hours based exclusively on academic areas of study. Curriculum must be based on core subject areas. Each school district must verify to the Department of Elementary and Secondary Education that the district's summer school program conforms to this requirement. School districts may provide a summer school program that offers non-academic or enrichment activities at the district's expense

§163.037

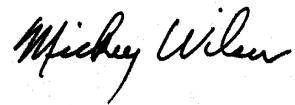
This proposal repeals language that would trigger an increase in state funding if summer school attendance were to decrease by twenty-five percent as compared to the 2005-2006 school year summer school attendance.

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. 1323-01
Bill No. SB 253
Page 5 of 5
March 8, 2011

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
School Districts
Parkway
Special School District of St Louis County



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Director
March 8, 2011