

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5608-01
Bill No.: SB 762
Subject: Education, Elementary and Secondary; Boards, Commissions, Committees,
Councils; Elementary and Secondary Education Department
Type: Original
Date: February 28, 2012

Bill Summary: This proposal modifies provisions relating to alternative educational procedures for charter schools.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
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 2013	FY 2014	FY 2015
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Higher Education** responded that this proposal would have no direct foreseeable fiscal impact on their agency.

Officials from the **Department of Social Services - Division of Youth Services (DOS-DYS)** state that most youth are discharged from the care and supervision of DOS-DYS prior to attaining age eighteen. Since school completion/graduation generally occurs for most youth around age eighteen, DOS-DYS assumes no fiscal impact on its programming.

§160.405.6(1)

According to officials from the **Department of Elementary and Secondary Education (DESE)**, this section is asking DESE to approve alternative arrangements for students attending charter schools to obtain credit for satisfying graduation requirements. Currently, *The Graduation Requirements for Students in Missouri Public Schools* provides a number of alternative options to satisfy graduation requirements for all Missouri high schools. This proposed legislation would require DESE to create a separate system for awarding high school credits for some charter schools.

§160.405.6(2)

This section requires DESE to conduct a study of any charter school granted alternative arrangements for students to obtain credit to assess student performance, graduation rates, educational outcomes and entry into the workforce or higher education under this legislation.

In order to fulfill the requirements of this proposal, DESE will require 1.0 FTE supervisor. Depending on the number of charters that apply for this separate system for obtaining credit, more FTE could be required later.

Oversight assumes the language in §160.405.6 (1) is permissive and that alternative arrangements may be included in the options presently available as outlined by DESE. **Oversight** also notes that the language §160.405.6(2) states the study is to be done after three years of operation which goes beyond the scope of this fiscal note. For fiscal note purposes only, **Oversight** will assign no cost.

ASSUMPTION (continued)

§160.539 - School Flex

Officials from the **University of Central Missouri** (Charter school sponsor) stated this section would have no fiscal impact.

Officials from the **University of Missouri System** (Charter school sponsor) state this proposed legislation has no fiscal impact on the University.

Officials from the **Mexico School District** indicated that fiscal impact on their district could not be determined at this time.

In response to similar legislation from last year (SB 294 FN 1257-03), the following responses were received regarding fiscal impact:

Officials from the **University of Missouri - St Louis** (charter school sponsor) stated that the proposal did not financially affect their office or their schools;

Officials from **Saint Louis University** (charter school sponsor) anticipated neither positive nor negative fiscal impact;

Officials from the **University of Missouri - Kansas City** (charter school sponsor) responded, but did not indicate any fiscal impact; and,

Officials from the **Parkway School District** stated that the proposed legislation did not appear to have a cost impact to their district.

Officials from the **Special School District of St Louis County (SSD)** assume the only provision of this proposed legislation on SSD is the School Flex section (§160.539.3 & 4). However, students with Individual Education Programs (IEP) can currently stay in school and receive services until age 21. As such, SSD doesn't anticipate that this proposal will have a material fiscal impact on SSD.

This proposed legislation was sent to the following school districts, none of which responded to a request for fiscal impact: Blue Springs, Branson, Columbia, Fair Grove, Francis Howell, Independence, Jefferson City, Kirksville, Lee's Summit, Nixa, Raytown, Sedalia, Sikeston, Silex, Spickard, Springfield, St Charles, St Joseph, St Louis City, Sullivan.

ASSUMPTION (continued)

This proposal was also sent to the following charter school sponsors who did not respond to a request for fiscal impact: Kansas City Metropolitan Community College, Lindenwood University, Missouri Baptist University, Southeast Missouri University, St Louis School District, Washington University.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<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.

FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

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

SOURCES OF INFORMATION

Department of Elementary and Secondary Education

Department of Higher Education

Department of Social Services

Division of Youth Services

Charter School Sponsors

University of Missouri System

University of Central Missouri

University of Missouri - St Louis

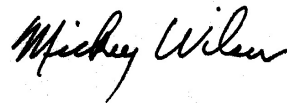
Saint Louis University

School Districts

Mexico

Parkway

Special School District of St Louis County



Mickey Wilson, CPA

Director

February 278 2012