

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0072-01
Bill No.: SB 28
Subject: Education, Elementary and Secondary; Elementary and Secondary Education
 Department; Boards, Commissions, Committees, Councils; Teachers
Type: Original
Date: January 15, 2015

Bill Summary: This proposal requires the State Board of Education to develop a simplified annual school report card for each school attendance center using a letter grade A to F.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
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 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	(More than \$100,000)	(More than \$100,000)	(More than \$100,000)

FISCAL ANALYSIS

ASSUMPTION

§161.237 Annual School Report Card

Officials at the **Department of Elementary and Secondary Education** assume there is no fiscal impact from this proposal.

Officials at the **Kansas City Public Schools** assume until such time as DESE promulgates rules as to how they may administer text within the proposed legislation, the District cannot estimate its impact. The District believes there will be a negative fiscal impact in administrative cost between \$25,000 and \$75,000.

Officials at the **Nixa Public Schools** assume that if percentages for A, B, C, D, and F stay the same as being proposed, there would be little immediate costs to the local school districts. For those earning a C, D, or F, there should be some expenses expected in the long run. Additional resources may need to be spent (or at the very least differently) in order to improve their educational system. There should be little additional expenditures in most school districts implementing this strategic measure.

Officials at the **Kirbyville R-VI School District** assume they are unable to calculate an impact.

Officials at the **Malta Bend Schools** assume an impact but it can not be calculated at this time.

Officials at the **Riverview Garden School District** assume an impact of \$3,380.

Officials at the **Carondelet Leadership Academy** and the **Special School District of St. Louis** assume there is no fiscal impact from this proposal.

Officials at the **Caruthersville School District**, **Macon School** and the **KIPP Endeavor Academy** responded to Oversight's request but did not indicate a fiscal impact.

Oversight assumes this proposal requires school districts to distribute a copy of the report card to all parents by August 1st each year. The impact to school districts will be from mailing copies of the report card to all parents in the district. Oversight assumes the impact to all schools districts will exceed \$100,000 a year.

Officials at the **Joint Committee on Administrative Rules** assume there is no fiscal impact from this proposal.

ASSUMPTION (continued)

Officials from the **Office of the Secretary of State (SOS)** state 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 for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials at the following schools: Blue Springs Public Schools, Branson Public Schools, Cole R-I Schools, Columbia Public Schools, Fair Grove Schools, Fulton Public School, Harrisonville School District, Independence Public Schools, Jefferson City Public Schools, Kirksville Public Schools, Lee Summit Public Schools, Mexico Public Schools, Monroe City R-I Schools, Nixa Public Schools, Parkway Public Schools, Pattonville Schools, Raymore-Peculiar R-III Schools, Raytown School District, Sedalia School District, Sikeston Public Schools, Silex Public Schools, Spickard School District, Springfield School District, St Joseph School District, St Louis Public Schools, St. Charles Public Schools, Sullivan Public Schools, Warren County R-III School District and Waynesville Public School did not respond to **Oversight's** request for fiscal impact.

Officials at the Allen Village School did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
LOCAL SCHOOL DISTRICT FUNDS			
<u>Costs</u> - School Districts - mailing of the report card to parents	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)
ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICT FUNDS	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)

FISCAL IMPACT - Small Business

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

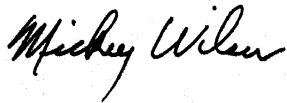
FISCAL DESCRIPTION

The State Board of Education must develop a simplified annual school report card for each school attendance center. Each school, including each charter school, will be given a letter grade of A, B, C, D or F based on percentages identified in the act that corresponds to the percentage of points earned on the school's annual performance report. Alternative schools will not receive a report card unless they specifically request one. Grades will not be assigned to schools if the number of students tested is smaller than the minimum sample size necessary based on professional practices for statistical reliability. The report card must also identify each school's performance as having improved, remained the same, or declined based on the prior year in terms of the letter grade and value.

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

Carondelet Leadership Academy
Caruthersville School District
Department of Elementary and Secondary Education
Joint Committee on Administrative Rules
Kansas City Public Schools
KIPP Endeavor Academy
Kirbyville R-VI Schools
Macon School
Malta Bend Schools
Office of the Secretary of State
Riverview Gardens School District
Special School District of St. Louis



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January 15, 2015

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January 15, 2015