

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0454-02  
Bill No.: SB 6  
Subject: Education, Elementary and Secondary; Elementary and Secondary Education Department  
Type: Original  
Date: January 16, 2015

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Bill Summary: This proposal modifies provisions relating to state funding for education.

**FISCAL SUMMARY**

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

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

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

**\* Oversight assumes this proposal would not have a fiscal impact unless the foundation formula is fully funded. DESE was not able to provide Oversight of an estimate of when the foundation formula is to be fully funded.**

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

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

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §§163.011 and 163.018 State Funding

Officials at the **Department of Elementary and Secondary Education** assume this proposal makes changes to the funding formula. One section would result in additional state aid; one section has the potential to be a savings in state aid. However, neither section will result in a fiscal impact unless the formula is fully funded.

#### §163.011

This bill changes the law to provide for a cap on the increase in state funding that is included in the calculation of the state adequacy target. This has the potential to be a cost saver for the state.

#### §163.018

There will be an undetermined increase in cost to the formula by the inclusion of charter schools in the schools that can count preschool children in the Average Daily Attendance for state aid purposes.

Officials at the **Nixa Public Schools** assume a district could be impacted financially if they had a great amount of student growth in one year but their revenue was limited.

Officials at the **Malta Bend Schools, Kansas City Public Schools** and the **Special School District of St. Louis** each assume there is no fiscal impact to their respective schools from this proposal.

Officials at the following schools: Blue Springs Public Schools, Branson Public Schools, Caruthersville School District, Charleston R-I Schools, Cole R-I Schools, Columbia Public Schools, Fair Grove Schools, Francis Howell Public Schools, Fulton Public School, Harrisonville School District, Independence Public Schools, Jefferson City Public Schools, Kirksville Public Schools, Kirbyville R-VI Schools, Lee Summit Public Schools, Macon School, Mexico Public Schools, Monroe City R-I Schools, Parkway Public Schools, Pattonville Schools, Raymore-Peculiar R-III Schools, Raytown School District, Riverview Gardens School District, Sedalia School District, Sikeston Public Schools, Silex Public Schools, Special School District of St. Louis County, Spickard School District, Springfield School District, St Joseph School District, 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 following charter schools: Carondelet Leadership Academy and the KIPP Endeavor Academy of Kansas City did not respond to **Oversight's** request for fiscal impact.

ASSUMPTION (continued)

**Oversight** notes that DESE and the Office of Administration's Division of Budget and Planning were not able to provide Oversight with a projection of when the foundation formula may be fully funded. This proposal would not have a fiscal impact until such time as the formula is fully funded. Therefore, Oversight is not able to determine any fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016	FY 2017	FY 2018
	<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 direct fiscal impact.

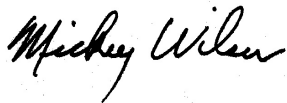
This proposal contains an emergency clause.

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  
Kansas City Public Schools  
Malta Bend Schools  
Nixa Public Schools  
Special School District of St. Louis



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Director  
January 16, 2015

Ross Strobe  
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January 16, 2015