

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1935-03  
Bill No.: Perfected SS for SB 365  
Subject: Education, Elementary and Secondary; Elementary and Secondary Education  
Department  
Type: Original  
Date: April 15, 2015

---

Bill Summary: This proposal modifies provisions relating to students with special needs.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<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.

<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>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Department of Elementary and Secondary Education (DESE)** assume it would appear local school districts could incur significant expenses to conduct evaluations but there would be no impact to the state. We polled a few districts and determined a cost range of \$500 - \$1,250 for an evaluation.

Officials at the **Special School District of St. Louis** assume this could result in more evaluations. The cost is estimated at \$150,000 - \$200,000 per year based on an additional 250 evaluations each year.

Officials at the **Nixa Public Schools** assume this would have a fiscal impact due to several provisions. However, they can not determine the impact at this time.

Officials at the **Kansas City Public Schools** and the **Malta Bend Schools** each assume there is no fiscal impact to their school district from this proposal.

**Oversight** assumes this proposal would allow parents or guardians to request an evaluation of a student to determine if the student is eligible for an individualized education program. Oversight assumes this could result in additional Unknown costs to the school districts.

**Oversight** assumes this proposal requires school districts to establish a policy regarding the recording of conversations or proceedings concerning the individualized education programs. Oversight assumes these policies can be created with the school district's existing resources and would not have a direct fiscal impact.

Officials at the following schools: Blue Springs Public Schools, Branson Public Schools, Caruthersville School District, Cole R-I Schools, Columbia Public Schools, Everton R-III School District, Fair Grove 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, County, 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.

<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
<b>LOCAL SCHOOL DISTRICT FUNDS</b>			
<u>Cost - School District - evaluations</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICT FUNDS</b>	<u><b>(Unknown)</b></u>	<u><b>(Unknown)</b></u>	<u><b>(Unknown)</b></u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This act requires a school district to conduct an initial evaluation of a student to determine if an individualized education program is warranted at least once every twenty-four months, if requested by the student's parent or legal guardian.

A school district in an administrative or legal action concerning action regarding the evaluation or the student's IEP must justify its decision by proving that it is in compliance with the federal Individuals with Disabilities Education Act. If a mediation is scheduled, any unjustified absence or lack of good faith to resolve the issue by the district, as determined by the mediator, will result in a default judgment against the district. A third party evaluator will develop an IEP for the student at the district's expense.

School districts are prohibited from retaining an attorney or law firm to provide counsel or litigate proceedings concerning a district's decision regarding the evaluation or IEP of a student that employs or contracts with members of the district's school board or its employees.

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. 1935-03  
Bill No. Perfected SS for SB 365  
Page 5 of 5  
April 15, 2015

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

Mickey Wilson, CPA

Director  
April 15, 2015



Ross Strobe  
Assistant Director  
April 15, 2015