

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4962-01
Bill No.: SB 709
Subject: Elementary and Secondary Education; Department of Elementary and Secondary Education; Transportation
Type: Original
Date: March 15, 2018

Bill Summary: This proposal modifies the process by which travel hardships are granted to public schools.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Local Government*	\$0	\$0	\$0

* Offsetting revenue and losses.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assume the proposal will have no fiscal impact on their organization. DESE defers to local school districts.

Officials from the **Macon County R-IV School District** assume that if a student qualifies and is reassigned that the student can complete his/her education in the receiving district. There is no mention of guidelines if the student moves to a location within the district of residence which no longer complies with this law. This occurs frequently but it appears that the student would be allowed to continue to attend the receiving school for the remainder of the educational experience. The bill also does not address the status of the student within the district of residency or at the receiving district. If the student is considered a tuition paying student then the district of residence should be able to claim attendance. This is not detailed and if the district of residence is not allowed to claim the student while paying tuition this is an obvious cost. Small schools have a high cost of instruction. My district is around \$13,000 per student, which is much higher than most tuition rates in the area. I can see this costing suburban and urban districts a lot, given the close proximity of many districts.

Officials from the **Shell Know #78 School District** assume a positive impact as this proposal would increase enrollment. Over the years the district has had many requests to attend our school due to the long drive to their districts of residence.

Officials from the **West Plains School District, Kirksville R-III School District and Summersville R2 School District** assume the proposal will have no fiscal impact on their organizations.

Oversight assumes this proposal establishes certain requirements for pupils to qualify for an assignment to another school district due to travel hardships. Currently, the assignment to another school district due to a travel hardship typically requires a ride time greater than 75 minutes. Oversight assumes this changes the requirement so that a pupil is eligible if the driving distance to the school of residence is fifteen miles or more by the shortest route available and the receiving school must be five miles closer in actual driving distance by the shortest route available.

Oversight is unable to determine the change in the number of travel hardship assignments granted under this proposal. Oversight assumes the direct net effect on schools districts would be zero as the receiving district would receive tuition payments from district of residence for the transferring student.

ASSUMPTION (continued)

Oversight notes the assignment of a pupil to another school district, once granted, remains in effect until the pupil completes his or her course of study or it is withdrawn by the parents. Oversight notes the assignment is also applicable to the pupil's siblings.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2019 (10 Mo.)	 FY 2020	 FY 2021
LOCAL SCHOOL DISTRICT FUNDS			
<u>Revenue</u> - Receiving District - tuition payments from district of residence	Unknown	Unknown	Unknown
<u>Loss</u> - Sending District - loss of funds sent to receiving district	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICT FUNDS	<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

This act changes the process by which travel hardships are granted to public school pupils. A parent or guardian of any pupil residing in any school district in the state is authorized to submit an application to the Commissioner of Education requesting that the pupil and any sibling of the pupil be assigned to another school district if the pupil is eligible and meets certain conditions as described in the act.

FISCAL DESCRIPTION (continued)

The act specifies that the driving distance from the pupil's residence to his or her attendance center in the district of residence must be 15 miles or more by the shortest route available. The new attendance center must be at least 5 miles closer in actual driving distance to the pupil's residence, and the attendance of the pupil must not cause the classroom in the receiving district to exceed the number of pupils per class set by the receiving district.

The Commissioner is required to assign pupils in the order in which applications are received. Once granted, the hardship assignment shall continue until the pupil, and any siblings of the pupil attending the same attendance center, completes his or her course of study in the receiving district or the parent withdraws the pupil. If withdrawn, subsequent grants of applications are discretionary.

A pupil who is not currently enrolled in a public school district becomes eligible to apply after the pupil has enrolled in and completed a full school year in a public school in his or her district of residence. The board of education of the district in which the pupil resides shall pay the tuition of the pupil reassigned, which shall not exceed the pro rata cost of instruction.

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
Macon County R-IV School District
West Plains School District
Kirksville R-III School District
Summersville R2 School District
Shell Knob #78 School District

Ross Strobe



Acting Director
March 15, 2018