

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3635S.01I
Bill No.: SB 818
Subject: Education, Elementary and Secondary; Department of Elementary and Secondary Education
Type: Original
Date: January 19, 2022

Bill Summary: This proposal authorizes the Gasconade R-II school district, which crosses county boundaries, to use the county that yields the highest dollar value modifier under the school foundation formula.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
General Revenue	\$0 to (\$1,100,210)	\$0 to (\$1,100,210)	\$0 to (\$1,100,210)
Total Estimated Net Effect on General Revenue	\$0 to (\$1,100,210)	\$0 to (\$1,100,210)	\$0 to (\$1,100,210)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Local Government	\$0 to \$1,100,210	\$0 to \$1,100,210	\$0 to \$1,100,210

FISCAL ANALYSIS

ASSUMPTION

Section 163.016

Officials from **Department of Elementary and Secondary Education** state to calculate the impact, the November 2020 formula calculation for Gasconade County R-II (037-037) was calculated using the county they are located in that has the highest Dollar Value Modifier (DVM) which is Franklin County at 1.093.

If the formula is fully funded then it would be an additional cost to the state of \$1,100,209.90 per year. If the formula is not fully funded then the additional money is going to be shifted from all other school districts.

In response to a similar proposal SB 660 (2019), officials from the **Gasconade County R-II School District** stated, based on the current foundation formula, WADA, and current conditions, this bill would add an additional \$1,090,071 to the district in state funding. There is no negative effect for this bill to the Gasconade County R-II district. In addition, this would not impact other public school districts negatively if the foundation formula is fully funded.

Oversight will show a range of impact as estimated by the Department of Elementary and Secondary Education.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
GENERAL REVENUE			
<u>Transfer out</u> - Increased formula funding to Gasconade County R-II School District	\$0 to (\$1,100,210)	\$0 to (\$1,100,210)	\$0 to (\$1,100,210)
ESTIMATED NET EFFECT ON GENERAL REVENUE	\$0 to (\$1,100,210)	\$0 to (\$1,100,210)	\$0 to (\$1,100,210)

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
GASCONADE R-II SCHOOL DISTRICT			
<u>Transfer Out</u> - Decreased formula funding to other school districts if foundation formula is not fully funded	(\$0 to \$1,100,210)	(\$0 to \$1,100,210)	(\$0 to \$1,100,210)
<u>Transfer In</u> - Increased formula funding to Gasconade County R-II School District from other school districts or GR	\$0 to <u>\$1,100,210</u>	\$0 to <u>\$1,100,210</u>	\$0 to <u>\$1,100,210</u>
ESTIMATED NET EFFECT ON GASCONADE R-II SCHOOL DISTRICT	\$0 to <u>\$1,100,210</u>	\$0 to <u>\$1,100,210</u>	\$0 to <u>\$1,100,210</u>

FISCAL IMPACT – Small Business

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

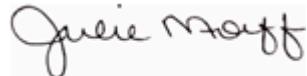
FISCAL DESCRIPTION

Under this act, for any school district located in more than one county, and whose headquarters are located within Owensville, the county signified in the school district number shall be the county in the district with the highest dollar value modifier.

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
Gasconade County R-II School District



Julie Morff
Director
January 19, 2022



Ross Strope
Assistant Director
January 19, 2022