

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0059S.01I  
 Bill No.: SB 306  
 Subject: Boards, Commissions, Committees, and Councils; Education, Elementary and Secondary; General Assembly  
 Type: Original  
 Date: January 14, 2025

Bill Summary: This proposal modifies provisions relating to special administrative boards for unaccredited school districts.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
<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 2026	FY 2027	FY 2028
<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.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</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 2026</b>	<b>FY 2027</b>	<b>FY 2028</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 \$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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Local Government</b>	<b>\$0 or (Unknown, could exceed \$42,000)</b>	<b>\$0 or (Unknown, could exceed \$42,000)</b>	<b>\$0 or (Unknown, could exceed \$42,000)</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Department of Elementary and Secondary Education**, the **Missouri House of Representatives**, and **Missouri Senate** each assume the proposal will have no fiscal impact on their respective organizations.

**Oversight** notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

**Oversight** notes, as of January 2025, there are four provisionally accredited school districts and zero unaccredited school districts.

**Oversight** assumes, if a special administrative board is appointed, this proposal would require school districts to provide members of the special administrative board a salary of five hundred dollars per month and shall reimburse members for reasonable expenses. To provide a \$500 monthly salary for 7 members for 12 months would cost a school district \$42,000 per fiscal year. This cost could be exceeded if members are reimbursed for reasonable expenses.

**Oversight** will show a range of impact (no unaccredited districts or no special administrative board appointed) to an unknown cost that could exceed \$42,000.

**Oversight** did not receive any responses from school districts related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note. **Oversight** only reflects the responses received from state agencies and political subdivisions; however, school districts were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>SCHOOL DISTRICTS</b>			
<u>Costs</u> - to provide a salary to members and reimburse reasonable expenses <b>if</b> a special administrative board is appointed - §162.081.3	\$0 or (Unknown, could exceed \$42,000)	\$0 or (Unknown, could exceed \$42,000)	\$0 or (Unknown, could exceed \$42,000)
<b>ESTIMATED NET IMPACT ON SCHOOL DISTRICTS</b>	<b>\$0 or (Unknown, could exceed \$42,000)</b>	<b>\$0 or (Unknown, could exceed \$42,000)</b>	<b>\$0 or (Unknown, could exceed \$42,000)</b>

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, upon classification of a school district as unaccredited, the State Board of Education may suspend the governing or managing authority of the elected school board members of the unaccredited school district and take actions relating to special administrative boards as set forth in the act.

Current law provides that a special administrative board for a school district shall have no fewer than five members. Under this act, such board shall have seven members, four of whom shall be residents of the school district. Each member of the board shall serve for three years, and the qualifications of the members are listed in the act.

The special administrative board shall meet at least once per month and each member shall receive a salary of \$500 a month.

Within 15 days after the vote to appoint a member to the special administrative board, if a member of the Missouri House of Representatives whose district includes the school district, in whole or in part, submits a request to the President Pro Tempore of the Senate, the appointment shall be subject to the advice and consent of the Senate.

The members of the school district's elected school board shall be ex-officio, non-voting members of the special administrative board. The act repeals a provision allowing the State Board of Education to appoint members of the school district's elected board to the special administrative board.

Upon failure of the school district to be classified as provisionally or fully accredited for at least two successive academic years, the State Board of Education shall require the special administrative board to establish a specific plan and timeline for achieving accreditation and require the special administrative board to appoint a new superintendent of the school district every three years.

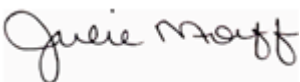
A special administrative board may be extended for no more than three years after its expiration date by the State Board of Education. Governance of the school district shall be returned to the elected school board upon the expiration of the authority of the special administrative board.

The act repeals a provision of law that allows the State Board of Education to appoint additional members to any special administrative board and set final terms of office for members of such board. Finally, no later than six full school years following appointment of the special administrative board, any district operating under the governance of a special administrative board shall return to local governance.

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  
Missouri House of Representatives  
Missouri Senate



Julie Morff  
Director  
January 14, 2025



Jessica Harris  
Assistant Director  
January 14, 2025