

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 4410-01
BILL NO.: SJR 0054
SUBJECT: Education, Elementary and Secondary: Maximum Levy
TYPE: Original
DATE: February 23, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	(\$43,800)	UNKNOWN	UNKNOWN
State School Moneys	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	(\$43,800)	UNKNOWN	UNKNOWN

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	(UNKNOWN)	(UNKNOWN)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **State Tax Commission** assume the proposal would result in no fiscal impact to the agency.

Officials from the **Secretary of State's Office** assume statewide newspaper publication of constitutional amendments costs approximately \$1,455 per column inch based on estimates provided by the Missouri Press Service x 3 for multiple printings as required by the Constitution and state statutes = \$4,380 per column inch. Estimated total number of inches for this amendment would be 10 inches, which includes the title header and certification paragraph. \$4,380 x 10 inches = \$43,800. This cost would be in FY 2001.

Based on a response to a similar proposal in the prior year (SJR 26), officials of the **Department of Elementary and Secondary Education** stated the proposal would not affect the agency, administratively. They did note that state law requires minimum school district tax rates to fully participate in Foundation Formula distributions. Depending upon voter actions to raise rates to the point where districts could fully participate, there could be decreased costs to fully fund the Formula. **Oversight** assumes that the proposal would not affect the Formula before FY 2002.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
GENERAL REVENUE FUND			
<u>Savings-Department of Elementary and Secondary Education (DESE)</u>			
Reduced Transfers to the State School Moneys Fund	\$0	Unknown	Unknown
<u>Cost-Secretary of State's Office</u>			
Newspaper Advertisements	(\$43,800)	\$0	\$0
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$43,800)</u>	<u>UNKNOWN</u>	<u>UNKNOWN</u>

STATE SCHOOL MONEYS FUND

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>Savings-Department of Elementary and Secondary Education (DESE)</u>			
Reduced Distributions to School Districts	\$0	Unknown	Unknown
<u>Loss-Department of Elementary and Secondary Education (DESE)</u>			
Reduced Transfers from General Revenue Fund	\$0	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON STATE SCHOOL MONEYS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
SCHOOL DISTRICTS			
<u>Loss-School Districts</u>			
Reduced Property Tax and Reduced Distributions from the Foundation Formula	<u>\$0</u>	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

The proposal would reduce the tax rates school districts could impose without a vote to \$1.25 per \$100 assessed valuation from \$2.75 per \$100 assessed valuation.

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

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Department of Elementary and Secondary Education
State Tax Commission
Secretary of State's Office

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is written in a cursive style with a large initial "J".

Jeanne Jarrett, CPA
Director
February 23, 2000