

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3451-01  
Bill No.: SB 858  
Subject: Education, Elementary and Secondary; Children and Minors  
Type: #Corrected  
Date: April 5, 2002

# Corrected to reflect change in interpretation from Department of Social Services-Division of Family Services and to reflect response from Saint Louis Public Schools

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
#General Revenue	\$0	(\$95,914 to UNKNOWN)	(\$98,377 to UNKNOWN)
State School Moneys	\$0	\$0	\$0
<b>#Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>(\$95,914 to UNKNOWN)</b>	<b>(\$98,377 to UNKNOWN)</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
#Federal	\$0	(\$47,383)	(\$48,597)
<b>#Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>(\$47,383)</b>	<b>(\$48,597)</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>School Districts*</b>	<b>UNKNOWN to (UNKNOWN)</b>	<b>UNKNOWN to (UNKNOWN)</b>	<b>UNKNOWN to (UNKNOWN)</b>

**\*Expected to exceed \$100,000**

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 6 pages.

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## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Social Services - Division of Youth Services (DYS)** stated that in FY 00, 55 youth under the age of 16 were committed to DYS for truancy. According to Kids Count Missouri, the annual high school dropout rate for the 1998-99 school year was 4.8%, or approximately 12,457 dropouts. According to the 1999 Juvenile Court Statistics Report, there were 6,056 referrals for truancy made to the juvenile courts involving youth under the age of 16 years. Based on state averages, it is estimated that St Louis City had 566 court referrals for truancy. If St. Louis City adopts a resolution to increase compulsory school attendance to age 17, DYS estimates 17 - 24 additional youth under age 17 could be committed annually to DYS from the area. DYS estimated an unknown fiscal cost as a result of this legislation.

**Oversight** reviewed the MODESE Annual Report of School Data and the number of high school dropouts in St Louis City for the year 2000-2001 was 962 (9.0%). Based on that data, the estimate of number of youth that might be committed annually to DYS could be significantly higher than original estimates, resulting in added costs.

The **Department of Social Services (DOS) - Division of Family Services (DFS)** anticipates a fiscal impact from this proposed legislation. DFS assumes that requiring children to attend school until age 17 would result in children age 16 being reported to the Child Abuse/Neglect (CA/N) Hotline for educational neglect since a parent's failure to send a child to school is a reportable condition.

#To estimate the number of additional educational neglect reports that would result from the proposal, DFS used data from FY 1999. There were 46,261 total CA/N reports made in 1999; of those, 3,686 alleged educational neglect statewide. Metropolitan areas (St Louis City) had a total of 4,294 total CA/N reports which is approximately 9% of the whole. This computes to approximately 332 educational neglect hotlines received in the St Louis City metropolitan area. DFE estimated approximately 59 children that would be affected in the designated area of the state. Since approximately 35% of hotlines result in a need for Family-Centered Services (FCS), 21 hotline reports would have dispositions, indicating a need for FCS.

#DFS indicated the need for 3 FTE to implement the proposed legislation.

**Oversight** assumes there would be no cost until FY 2004 since the resolution to establish compulsory attendance shall take effect no earlier than the school year next following the school year during which the resolution is adopted.

ASSUMPTION (continued)

LMD:LR:OD (12/01)

Officials from the **Department of Elementary and Secondary Education (DESE)** indicated that a cost estimate could not be determined for this proposal. More students may stay in school, thus raising the district's average daily attendance which would general more basic state aid to the district; however, there is no way to determine number of 17-year-old students staying in school that would have otherwise dropped out. Even if they stay in school, attendance may be poor which could offset an increase in basic state aid to the district.

Officials from the **Secretary of State's Office (SOS)** assumed the rules, regulations and forms issued by the Department of Elementary and Secondary Education could require as many as 3 pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in the *Missouri Register* as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the *Missouri Register* is \$23. The estimated cost of a page in the *Code of State Regulations* is \$27. The actual costs could be more or less the SOS's estimated cost of \$154 for FY 2003. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Kansas City Missouri School District (KCMSD)** indicate this proposal would not apply to their district, therefore there is no fiscal impact to their district.

#Officials from the **Saint Louis Public Schools** estimated the initial number of students impacted by this legislation would be 150 and could increase to 500 students. The projected state payments, based on 150 students for school years 2003-04 and 2004-05 is as follows:

	<u>2003-04</u>	<u>2004-05</u>
150 Students Without At Risk	\$532,148	\$548,112
150 Students With At Risk	\$750,273	\$772,794

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
<b>GENERAL REVENUE</b>			
<u>#Cost</u> - Department of Social Services - Division of Family Services (DFS)			
Personal Services	\$0	(\$60,979)	(\$62,504)
Fringe Benefits	\$0	(\$21,959)	(\$22,508)
Expense and Equipment	<u>\$0</u>	<u>(\$12,976)</u>	<u>(\$13,366)</u>
<u>#Total Cost</u> - DFS	\$0	(\$95,914)	(\$98,377)
<u>Cost</u> - Department of Social Services - Division of Youth Services			
Program Costs	\$0	(UNKNOWN)	(UNKNOWN)
<u>Cost</u> - Increased transfers to State School Moneys Fund*			
	\$0	(UNKNOWN)	(UNKNOWN)
<b>#ESTIMATED NET EFFECT ON GENERAL REVENUE FUND*</b>	<b><u>\$0</u></b>	<b><u>(\$95,914 to UNKNOWN)</u></b>	<b><u>(\$98,377 to UNKNOWN)</u></b>
<b>*Expected to exceed \$100,000</b>			
<b>STATE SCHOOL MONEYS FUND</b>			
<u>Income</u> - Increased transfers from General Revenue Fund*			
	\$0	UNKNOWN	UNKNOWN
<u>Cost</u> - Increased distributions to metropolitan school districts*			
	<u>\$0</u>	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>
<b>ESTIMATED NET EFFECT ON STATE SCHOOL MONEYS FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>*Expected to exceed \$100,000</b>			

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
<b>#FEDERAL FUNDS</b>			
<b>#Cost - Department of Social Services - Division of Family Services</b>			
Personal Services	\$0	(\$30,450)	(\$31,212)
Fringe Benefits	\$0	(\$10,965)	(\$11,239)
Expense and Equipment	<u>\$0</u>	<u>(\$5,967)</u>	<u>(\$6,146)</u>
<b>#Total Cost - DFS</b>	\$0	(\$47,383)	(\$48,597)
<b>#ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<b><u>\$0</u></b>	<b><u>(\$47,383)</u></b>	<b><u>(\$48,597)</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
<b>SCHOOL DISTRICTS</b>			
<u>Income</u> - Increased State Aid*	\$0	UNKNOWN	UNKNOWN
<u>Cost</u> - Increased School Attendance*	\$0	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>
<b>ESTIMATED NET EFFECT ON SCHOOL DISTRICTS</b>	<b><u>\$0</u></b>	<b><u>UNKNOWN to (UNKNOWN)</u></b>	<b><u>UNKNOWN to (UNKNOWN)</u></b>
<b>*Expected to exceed \$100,000</b>			

FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposed legislation provides metropolitan school districts (the Board of St. Louis Public Schools) the power to raise the compulsory attendance age to seventeen, whereas in all other school districts the compulsory attendance age is sixteen. Such a resolution changing the compulsory attendance age can only take effect after the school year during which the resolution is passed. The act also allows school boards to raise the mandatory age for part-time attendance from fifteen to sixteen.

The proposal also exempts the parents of home school students above the age of sixteen in the city of St. Louis from the requirements that specify hours of instruction and maintaining certain

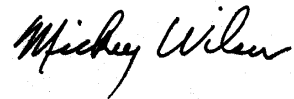
DESCRIPTION (continued)

records (i.e. written record, academic samples, evaluations). Further, the act allows home school educators of students over sixteen in the city of St. Louis to only supply a written statement that the pupil is attending home school as a defense against any prosecution for educational neglect or violation of the compulsory attendance law.

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  
Department of Social Services  
    Division of Youth Services  
    Division of Family Services  
Kansas City Missouri School District  
Office of Secretary of State  
St Louis Public Schools



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Acting Director  
April 5, 2002