

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2701-02  
Bill No.: HCS for HB 941  
Subject: Education, Elementary and Secondary: Elementary and Secondary Education Dept  
Type: Original  
Date: March 16, 2004

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 3 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</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 LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### **FISCAL ANALYSIS**

#### **ASSUMPTION**

Officials from the **Department of Elementary and Secondary Education** assume this proposal will have no fiscal impact on their agency.

<u><b>FISCAL IMPACT - State Government</b></u>	<b>FY 2005 (10 Mo.)</b>	<b>FY 2006</b>	<b>FY 2007</b>
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u><b>FISCAL IMPACT - Local Government</b></u>	<b>FY 2005 (10 Mo.)</b>	<b>FY 2006</b>	<b>FY 2007</b>
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

#### **FISCAL IMPACT - Small Business**

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

## DESCRIPTION

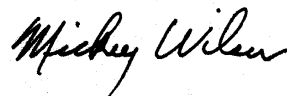
Currently, a school district that has achieved provisional accreditation after having been declared unaccredited has no limit on the amount of time it may remain provisionally accredited. This proposal requires the State Board of Education to place a cap of no less than one and no more than two full school years on these districts to regain full accreditation or face lapse of district corporate structure.

The proposal also makes changes to the hearing that is required to be held in a district after it is declared unaccredited, by stating that the hearing must be held no more than 60 days after the date the district is declared unaccredited and by clarifying the purposes of the hearing. A special administrative board, which may be appointed by the state board to monitor unaccredited districts, is also given standing to enjoin school board actions that might result in wastage of assets. The administrator of this board must be a resident of the state or establish residency within 90 days of appointment. The state board is given the option of permitting a lapsed district to continue to operate under its existing governance structure pursuant to terms and conditions the board establishes.

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



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