

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4405-01  
Bill No.: HB 1360  
Subject: Education, Elementary and Secondary: Elementary and Secondary Education Dept  
Type: Original  
Date: February 10, 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 OTHER 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 Other State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 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 (DESE)** assume this proposal amends the calculation of the number of eligible pupils on which a district may be paid. Currently, a district could choose to eliminate its full-day kindergarten program in the current year but still be paid in the foundation formula for full-day kindergarten the district had two years prior. The proposal will insure that all districts receive funding for the kindergarten instruction being provided in the current year. If the district opts to eliminate full-day kindergarten, it will only be paid on the current year kindergarten.

DESE further states there is no state cost to this proposal as the proposed change does not increase the number of eligible pupils on which districts may be paid through the foundation formula. There is the possibility of some state savings if districts choose to discontinue providing full-day kindergarten. However, potential savings cannot be determined as the number of districts who may choose to eliminate full-day kindergarten in 2004 and beyond is not known.

**Oversight** assumes any moneys saved by districts not choosing to offer full-day kindergarten would be distributed among the schools via the foundation formula.

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

FISCAL IMPACT - Small Business

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

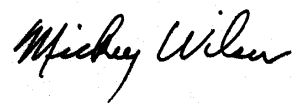
DESCRIPTION

This proposal makes changes to the way kindergarten pupils are counted for state school aid, beginning with the 2004-2005 school year. When kindergarten attendance decreases from the previous year without a decrease in enrollment, the eligible pupil payment for kindergarten will include only the attendance from the current year.

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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