COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

<u>L.R. No.</u>: 0146-02 <u>Bill No.</u>: HB 320

Subject: Education, Elementary and Secondary: Elementary and Secondary Education

Dept

<u>Type</u>: Original

<u>Date</u>: March 14, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2006	FY 2007	FY 2008	
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2006	FY 2007	FY 2008	
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0	

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2006	FY 2007	FY 2008	
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2006	FY 2007	FY 2008	
Local Government	\$0	\$0	\$0	

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education** assume this proposed legislation will have no fiscal impact on their agency or on school districts.

FISCAL IMPACT - State Government	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FISCAL IMPACT - Local Government	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<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

LD:LR:OD (12/02)

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This proposed legislation creates a mechanism to prevent a school district from moving back and forth between unaccredited and provisionally accredited status. If a school district that has been classified as unaccredited within the past five years and has become provisionally accredited should lose its provisional accreditation, it will lapse on June 30 or at a later date determined by the State Board of Education.

Changes are also made to the required hearing on the plans for continuing the educational process after lapse, which must be held at least 60 days before the district lapses. A special administrative board, which may be appointed by the state board to monitor an unaccredited district, is also given standing to enjoin school board actions that might result in wastage of assets. 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. A prohibition on attaching a lapsed district with more than 5,000 pupils to another district without the approval of the board of the receiving school district is removed.

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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Director

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