

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0765-02  
Bill No.: HCS for HB 276  
Subject: Children and Minors; Education, Elementary and Secondary; Elementary and Secondary Education Dept  
Type: Original  
Date: March 11, 2005

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</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 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Total Estimated Net Effect on <u>Other</u> 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.

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

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

### FISCAL ANALYSIS

#### ASSUMPTION

Officials from the **Office of State Courts Administrator** assume there will be no fiscal impact on the Courts.

Officials from the **Department of Elementary and Secondary Education** state that mediation option, which would be offered outside of the due process hearing cases, could result in significant costs.

Officials from the **Columbia School District** indicate that the fiscal impact of this proposal would be minimal.

Officials from the **Special School District of Saint Louis County** believe this proposal should reduce legal fees incurred for due process hearings. They were unable to estimate how much such legal fees would be reduced as a result of the emphasis on mediation before due process.

In response to the introduced version of this proposal, officials from the **Saint Louis Public School District** believe there would be savings due to the implementation of the preliminary resolution session called for in the proposal.

#### ASSUMPTION (continued)

**Oversight** assumes any costs associated with the resolution sessions would be offset by savings that would result from fewer due process hearings.

This proposal is a FEDERAL MANDATE.

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

This proposal changes the laws regarding special education to comply with the recent reauthorization of the federal Individuals with Disabilities Education Act (IDEA). Currently, challenges to decisions about certain disciplinary placements require the child to remain in the interim placement until the challenge is resolved or the interim period elapses, whichever is earlier. Parents and the school are permitted to reach an agreement that does not follow this restriction. Serious bodily injury is added to the list of reasons for disciplinary action that may result in an interim alternative setting, which parents may challenge.

Mediation must be offered to parents and the school before a request for a hearing; currently, it is available after a hearing is requested. The bill clarifies that mediation agreements must be signed by the parties and specifies who may sign for the school. These agreements are legally binding and enforceable in state and federal court.

Due process hearing requests and responses to requests must conform to the IDEA. The chair of the hearing panel or the hearing officer may determine sufficiency and must implement the process and procedures relating to sufficiency of notice. The school must call a preliminary  
DESCRIPTION (continued)

meeting, referred to as a resolution session, which must follow federal guidelines in its procedures and for any resulting agreement.

This legislation 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  
Office of State Courts Administrator  
School Districts  
    Special School District of St Louis County  
    Saint Louis Public Schools  
    Columbia

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
March 11, 2005