

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1549-01
Bill No.: HB 580
Subject: Education, Elementary and Secondary: Elementary and Secondary Education
Department; Teachers
Type: Original
Date: March 14, 2007

Bill Summary: Permits school districts to adopt a four-day school week.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	\$0 to \$27,964,780	\$0 to \$27,964,780	\$0 to \$27,964,780
Total Estimated Net Effect on General Revenue Fund	\$0 to \$27,964,780	\$0 to \$27,964,780	\$0 to \$27,964,780

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Labor and Industrial Relations** stated there would be no fiscal impact for their agency resulting from this proposal.

Officials from the **Department of Elementary and Secondary Education** state this proposal will have no fiscal impact on their agency or on local school districts.

Oversight assumes there could be savings in reimbursement of eligible transportation costs. According to the DES website, a summary of state transportation aid for the 2004-2005 payment for 2003-04 costs showed the total aid paid was \$152,058,492. **Oversight** assumes that changing to a four-day school week with a minimum for 142 school days, compared to 174 school days for a five-day school week, would result in 32 fewer "transportation" days. This could result in a potential savings to General Revenue for state aid of \$27,964,780. The proposal is permissive, allowing school boards to establish a four day school week in lieu of a five-day school week. **Oversight** will range the savings from \$0 to \$27,964,780 annually. **Oversight** also assumes there could be a potential fiscal impact to the food services program; however, no impact was calculated.

This proposal was sent to a number of school district, none of which responded.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
GENERAL REVENUE			
<u>Savings - Reduced State Transportation Aid</u>	\$0 to <u>\$27,964,780</u>	\$0 to <u>\$27,964,780</u>	\$0 to <u>\$27,964,780</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0 to</u> <u>\$27,964,780</u>	<u>\$0 to</u> <u>\$27,964,780</u>	<u>\$0 to</u> <u>\$27,964,780</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<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.

FISCAL DESCRIPTION

This proposal allows school districts to establish a four-day week upon a majority vote of the school board. The number of required hours in a school year remains at 1,044, but the number of days will be 142 rather than 174.

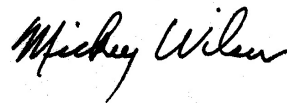
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Department of Labor and Industrial Relations

NOT RESPONDING

School Districts

A handwritten signature in black ink that reads "Mickey Wilson". The signature is fluid and cursive, with the first name "Mickey" and last name "Wilson" clearly distinguishable.

Mickey Wilson, CPA
Director
March 14, 2007