

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3338-01  
Bill No.: HB 1676  
Subject: Education, Elementary and Secondary: Elementary and Secondary Education  
Department  
Type: Original  
Date: March 4, 2008

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Bill Summary: Requires the Department of Elementary and Secondary Education to establish criteria for the admission or rejection by accredited public schools of nonresident pupils from unaccredited districts.

**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>                   |            |            |            |
|-----------------------------------------------------------------------|------------|------------|------------|
| FUND AFFECTED                                                         | FY 2009    | FY 2010    | FY 2011    |
|                                                                       |            |            |            |
|                                                                       |            |            |            |
| <b>Total Estimated<br/>Net Effect on<br/>General Revenue<br/>Fund</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>                      |            |            |            |
|-----------------------------------------------------------------------|------------|------------|------------|
| FUND AFFECTED                                                         | FY 2009    | FY 2010    | FY 2011    |
|                                                                       |            |            |            |
|                                                                       |            |            |            |
| <b>Total Estimated<br/>Net Effect on <u>Other</u><br/>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>                  |            |            |            |
|---------------------------------------------------------------|------------|------------|------------|
| FUND AFFECTED                                                 | FY 2009    | FY 2010    | FY 2011    |
|                                                               |            |            |            |
|                                                               |            |            |            |
| <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 FULL TIME EQUIVALENT (FTE)</b> |          |          |          |
|-----------------------------------------------------------|----------|----------|----------|
| FUND AFFECTED                                             | FY 2009  | FY 2010  | FY 2011  |
|                                                           |          |          |          |
|                                                           |          |          |          |
| <b>Total Estimated Net Effect on FTE</b>                  | <b>0</b> | <b>0</b> | <b>0</b> |

☐ 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).

| <b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b> |                                           |                                           |                                           |
|--------------------------------------------|-------------------------------------------|-------------------------------------------|-------------------------------------------|
| FUND AFFECTED                              | FY 2009                                   | FY 2010                                   | FY 2011                                   |
| <b>Local Government</b>                    | <b>(Unknown - Could exceed \$100,000)</b> | <b>(Unknown - Could exceed \$100,000)</b> | <b>(Unknown - Could exceed \$100,000)</b> |

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** state there will be no additional costs for their agency. Any cost would be to the unaccredited school districts who are, under current law, responsible for tuition payments for students transferring to an accredited school. DESE was unable to determine how many students would transfer or what the tuition cost would be.

**Oversight** notes that §167.131.2 states that the rate of tuition to be charged by the district attended and paid by the sending district is the per pupil cost of maintaining the district's grade level grouping which includes the school attended. The cost of maintaining a grade level grouping shall be determined by the board of education of the district but in no case shall it exceed all amounts spent for teachers' wages, incidental purposes, debt service, maintenance and replacements. **Oversight** assumes the cost to unaccredited districts would be more than state aid received per pupil. The cost is unknown, but could exceed \$100,000.

| <u>FISCAL IMPACT - State Government</u> | FY 2009<br>(10 Mo.) | FY 2010           | FY 2011           |
|-----------------------------------------|---------------------|-------------------|-------------------|
|                                         | <u><b>\$0</b></u>   | <u><b>\$0</b></u> | <u><b>\$0</b></u> |

| <u>FISCAL IMPACT - Local Government</u> | FY 2009<br>(10 Mo.) | FY 2010 | FY 2011 |
|-----------------------------------------|---------------------|---------|---------|
|-----------------------------------------|---------------------|---------|---------|

### **LOCAL POLITICAL SUBDIVISIONS**

Cost - Unaccredited School Districts -  
 Tuition costs paid to accredited school  
 districts

|                                                  |                                                  |                                                  |
|--------------------------------------------------|--------------------------------------------------|--------------------------------------------------|
| (Unknown -<br>Could exceed<br><u>\$100,000</u> ) | (Unknown -<br>Could exceed<br><u>\$100,000</u> ) | (Unknown -<br>Could exceed<br><u>\$100,000</u> ) |
|--------------------------------------------------|--------------------------------------------------|--------------------------------------------------|

### **EXPECTED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS**

|                                                          |                                                          |                                                          |
|----------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|
| <u><b>(Unknown -<br/>Could exceed<br/>\$100,000)</b></u> | <u><b>(Unknown -<br/>Could exceed<br/>\$100,000)</b></u> | <u><b>(Unknown -<br/>Could exceed<br/>\$100,000)</b></u> |
|----------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|

FISCAL IMPACT - Small Business

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

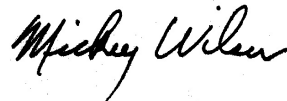
FISCAL DESCRIPTION

Prior to the beginning of the 2009-2010 school year, this proposed legislation requires the Department of Elementary and Secondary Education to develop criteria for the admission or rejection of nonresident students from unaccredited districts who wish to transfer to an adjoining accredited school district. No student can be rejected except for reasons specified in the criteria.

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

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

Mickey Wilson, CPA  
Director  
March 4, 2008