

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3869-01
Bill No.: HB 1748
Subject: Education, Elementary and Secondary: Elementary and Secondary Education
Department
Type: Original
Date: April 22, 2008

Bill Summary: Lowers the compulsory attendance age from seven to six and requires full-day kindergarten

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	(\$5,383,525 to Unknown)	(\$7,186,205 to Unknown)	(\$8,988,885 to (Unknown)
Total Estimated Net Effect on General Revenue Fund	(\$5,383,525 to Unknown)	(\$7,186,205 to Unknown)	(\$8,988,885 to (Unknown)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
State School Moneys Fund*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds*	\$0	\$0	\$0

*Offsetting Transfers In and Disbursements are: FY 09 (\$5,665,565 to Unknown); FY 10 (\$7,468,245 to Unknown); FY 11 (\$9,270,925 to Unknown)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Federal Funds	\$408,740	\$408,740	\$408,740
Total Estimated Net Effect on <u>All</u> Federal Funds	\$408,740	\$408,740	\$408,740

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
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 2009	FY 2010	FY 2011
Local Government	\$0	\$0	\$0

***Offsetting Income and Costs are: FY 09 (\$5,665,565 to Unknown); FY 10 (\$7,468,245 to Unknown); FY 11 (\$9,270,925 to Unknown)**

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** provided the following assumptions regarding this proposed legislation:

§167.031

The financial impact of lowering the compulsory school attendance age to six cannot be determined. The compulsory attendance age relates to attendance in public, private, parochial, parish school or a combination of these. There is no way to estimate the increase in students to public schools if the compulsory age is reduced to six. If more students attend the public schools, then the cost of the foundation formula will increase. The increase is an unknown amount but is approximately \$6,117 per student added to the public schools.

§167.032

Related to the full-day Kindergarten programs, currently 4,210 children have been reported as being in half-day programs. One half of the base Formula per Pupil amount of \$6,117 (\$3,058.50) times the number of children in half day programs provides the calculation below:

Full-day kindergarten estimate to accommodate the phase-in variable of the formula:

FY09 - $\$3,058.50 \times 44\% \times 4,210 = \$5,665,565$

FY10 - $\$3,058.50 \times 58\% \times 4,210 = \$7,468,245$

FY11 - $\$3,058.50 \times 72\% \times 4,210 = \$9,270,925$

Officials from the **Department of Social Services - Division of Youth Services** state this proposal will not affect DYS. The youngest child ever committed to the care of DYS was nine years old.

ASSUMPTION (continued)

Officials from the **Department of Social Services - Children's Division (Early Childhood & Prevention Services Section)** assume the proposed legislation would fiscally impact the Children's Division (CD) on two levels:

1) The CD would receive an increase in educational neglect reports on children ages 6-7. The increase in the number of reports could possibly increase the number of family centered services provided by the CD and it may increase the number of children placed in the Division's custody as a result of educational neglect.

DOS assumes that approximately 3 additional cases would be opened as a result Child Abuse/Neglect investigations and 19 additional cases would be opened as a result of Family Assessment due to passage of this proposal for a total of 22 additional cases. There will be a need for additional 3 Children's Service Workers to cover the additional cases, investigations and assessments. The following represents the breakdown of worker need:

12 CA/N Reports (15 reports per worker per month):	.07
315 Assessments (15 assessments per worker per month):	1.75
22 FCS Cases (20 cases per worker):	<u>1.10</u>

Total Worker Need: 2.92

Oversight assumes the potential additional cases can be handled with existing resources. If the caseload increases significantly additional funding can be requested through the budget process.

2) The number of children who need full time child care services will decrease. Because full day care is defined in the child care system as being in care for 5 or more hours, children receiving child care for the other half of a kindergarten day often qualify for full day child care based on the actual number of hours they are in care. Due to the decrease in full day care need during the school year, CD's Early Childhood and Prevention Services Section (ECPSS) estimates there would be a cost savings due to this proposed legislation. Children ages 6 and above would no longer qualify for full day care on a regular basis due to the full day of kindergarten and mandatory school attendance age lowering to 6. Based on current child care expenditures, the monthly total expenditures for children age 6-7 full day child care was \$153,951. Based on a nine month school year, the total estimated expenditures at this time for full day care for children ages 6-7 is \$1,385,559 (\$153,951 x 9). CD-ECPSS assumes half of this cost is for children age 6 and half for children age 7. The estimated cost savings due to the decrease in full day care would be \$692,780 (\$1,385,559 / 2).

ASSUMPTION (continued)

Officials from the **Parkway School District** estimate the annual impact of this proposed legislation to their district to be at least \$2.9 million with a one-time cost of \$500,000 for additional classroom space and equipment.

Officials from the **Francis Howell School District** currently offers a full day kindergarten program, so there would be no fiscal impact to their district.

Officials from the **Marshfield School District** assume that if there is enough state funding to continue to fully fund the formula, there would be no change in revenues or expenses for their district.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
GENERAL REVENUE			
<u>Savings</u> - Department of Social Services - Reduced child care costs	\$282,040	\$282,040	\$282,040
<u>Cost</u> - Department of Elementary and Secondary Education - Increased state aid for full-day Kindergarten	(\$5,665,565)	(\$7,468,245)	(\$9,270,925)
<u>Cost</u> - Department of Elementary and Secondary Education - Increased state aid for increase in students due to raising age of compulsory attendance	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$5,383,525 to Unknown)</u>	<u>(\$7,186,205 to Unknown)</u>	<u>(\$8,988,885 to Unknown)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
STATE SCHOOL MONEYS FUND			
<u>Transfer In</u> - State aid for full-day Kindergarten	\$5,665,565	\$7,468,245	\$9,270,925
<u>Transfer In</u> - State aid for increased number of students	Unknown	Unknown	Unknown
<u>Disbursements - School Districts</u>	(\$5,665,565 to <u>Unknown</u>)	(\$7,468,245 to <u>Unknown</u>)	(\$9,270,925 to <u>Unknown</u>)
ESTIMATED NET EFFECT ON STATE SCHOOL MONEYS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
FEDERAL FUNDS			
<u>Savings</u> - Department of Social Services - Reduced child care costs	<u>\$408,740</u>	<u>\$408,740</u>	<u>\$408,740</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$408,740</u>	<u>\$408,740</u>	<u>\$408,740</u>

FISCAL IMPACT - Local Government

FY 2009
(10 Mo.)

FY 2010

FY 2011

LOCAL POLITICAL SUBDIVISIONS

Income - School Districts - Increased
 state aid for additional students and full-
 day Kindergarten

\$5,665,565 to
 Unknown

\$7,468,245 to
 Unknown

\$9,270,925 to
 Unknown

Cost - School Districts - Education
 expenses for additional students and full-
 day Kindergarten

(\$5,665,565 to
Unknown)

(\$7,468,245 to
Unknown)

(\$9,270,925 to
Unknown)

**ESTIMATED NET EFFECT ON
 SCHOOL DISTRICTS**

\$0

\$0

\$0

FISCAL IMPACT - Small Business

This proposed legislation may impact some child care providers that provide care for children enrolled in half day kindergarten for the other half of the parent's work day. They will no longer be providing care for these older children, the cost of which often helps balance out the higher cost of providing care for the younger children.

FISCAL DESCRIPTION

This proposed legislation lowers the age for beginning school from seven to six years and requires, beginning with school year 2008, that kindergarten at all public schools be a full-day program, with the same length as for other elementary grades.

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 Social Services

Division of Youth Services

Children's Division

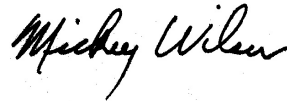
Early Childhood & Prevention Services Section

School Districts

Marshfield

Parkway

Francis Howell

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

Mickey Wilson, CPA

Director

April 22, 2008