

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5348-01  
Bill No.: HB 1619  
Subject: Education, Elementary and Secondary; Education, Proprietary  
Type: Original  
Date: April 22, 2014

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Bill Summary: This proposal provides that the aggregate amount of tuition charged by a receiving school district during a school year shall not exceed \$10,000 per pupil, when a student transfers from an unaccredited district.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<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>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<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 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<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 2015	FY 2016	FY 2017
<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 2015	FY 2016	FY 2017
<b>Local Government*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**\* Offsetting Savings and Costs may exceed \$100,000 each year.**

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **Department of Elementary and Secondary Education** assumed no fiscal impact to the agency.

Officials from the **Kansas City Public School District (KCPS)** estimate a net fiscal impact of less than \$50,000 for the upcoming school year. KCPS anticipates achieving a level of accreditation this year which would negate future increases. The KCPS average tuition is \$10,761 and average student transportation cost is \$1,000.

**Oversight** assumes this proposal could result in savings to the sending school districts by limiting the amount of tuition to be paid to the receiving district to \$10,000. For fiscal note purposes only, Oversight will assume a savings of Unknown - May exceed \$100,000.

Officials from the **Francis Howell School District** estimate this proposed legislation would result in a cost of \$434,280, based on the current year enrollment of transfer students. FHSD reported they have 419 transfer students from the Normandy School District and one student from the Riverview Gardens School District.

Officials from the **Parkway School District** assume a cost of \$226,000 for the 2013-14 school year and each year thereafter.

Officials from the **Special School District of St. Louis County (SSD)** assume that, based on current unaccredited districts, this proposed legislation would not affect SSD. If the St. Louis Public Schools would become unaccredited, the proposal could have a negative impact on SSD if they could not charge separate tuition for the special education costs.

**Oversight** assumes it is unknown how many students from unaccredited districts will elect to transfer to accredited schools districts or the amount of the tuition differential. For fiscal note purposes only, Oversight will assume costs to receiving districts are (Unknown - May exceed \$100,000), with an offsetting savings to the sending district.

<u>FISCAL IMPACT - State Government</u>	FY 2015	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2015	FY 2016	FY 2017
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### **LOCAL POLITICAL SUBDIVISIONS**

<u>Savings</u> - School Districts (Sending) - Reduction in required tuition from sending districts to receiving districts	Unknown - May exceed \$100,000	Unknown - May exceed \$100,000	Unknown - May exceed \$100,000
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<u>Costs</u> - School Districts (Receiving) - Reduced tuition from sending districts to receiving districts.	(Unknown - May exceed \$100,000)	(Unknown - May exceed \$100,000)	(Unknown - May exceed \$100,000)
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<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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### FISCAL IMPACT - Small Business

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

### FISCAL DESCRIPTION

This bill limits tuition charged under the school transfer law for the school year 2013-14 and following years to \$10,000 per pupil. Any overage for the 2013-14 will be credited to the sending district's liabilities with the receiving district for the current fiscal year.

This bill contains an emergency clause.

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  
School Districts

Kansas City Public School District  
Parkway  
Francis Howell  
Special School District of St. Louis County



Mickey Wilson, CPA  
Director  
April 22, 2014

Ross Strobe  
Assistant Director  
April 22, 2014