

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2971H.011
 Bill No.: HB 2125
 Subject: Education, Elementary and Secondary; Children and Minors; Department of
 Elementary and Secondary Education
 Type: Original
 Date: January 23, 2024

Bill Summary: This proposal modifies provisions relating to age for school entry.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|------------------|------------------|------------------|
| FUND AFFECTED | FY 2025 | FY 2026 | FY 2027 |
| General Revenue* | (Unknown) | (Unknown) | (Unknown) |
| | | | |
| Total Estimated Net Effect on General Revenue | (Unknown) | (Unknown) | (Unknown) |

*Oversight assumes the fiscal impact could exceed the \$250,000 threshold.

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2025 | FY 2026 | FY 2027 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2025 | FY 2026 | FY 2027 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2025 | FY 2026 | FY 2027 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2025 | FY 2026 | FY 2027 |
| | | | |
| | | | |
| Local Government | Unknown | Unknown | Unknown |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assume changes to section 167.031 could potentially have an impact to the Average Daily Attendance (ADA). DESE is unable to estimate the total effect as the additional students are unknown; families may choose to homeschool, private school or other options.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect an unknown impact (potential increase in enrollment) for an increased call to the foundation formula in the fiscal note with corresponding gains to the school districts.

Oversight received no responses from school districts related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note. Oversight only reflects the responses received from state agencies and political subdivisions; however, other school districts were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

| <u>FISCAL IMPACT – State Government</u> | FY 2025 (10 Mo.) | FY 2026 | FY 2027 |
|---|-------------------------|-------------------------|-------------------------|
| GENERAL REVENUE | | | |
| <u>Costs</u> – DESE – increased call to the foundation formula - §167.031 | <u>(Unknown)</u> | <u>(Unknown)</u> | <u>(Unknown)</u> |
| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | <u>(Unknown)</u> | <u>(Unknown)</u> | <u>(Unknown)</u> |

| <u>FISCAL IMPACT – Local Government</u> | FY 2025 (10 Mo.) | FY 2026 | FY 2027 |
|---|---------------------|----------------|----------------|
| SCHOOL DISTRICTS & CHARTER SCHOOLS | | | |
| <u>Revenue Gain</u> – §167.031 – Increased Funding for Increased enrollment | <u>Unknown</u> | <u>Unknown</u> | <u>Unknown</u> |
| ESTIMATED NET EFFECT ON SCHOOL DISTRICTS & CHARTER SCHOOLS | <u>Unknown</u> | <u>Unknown</u> | <u>Unknown</u> |

FISCAL IMPACT – Small Business

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

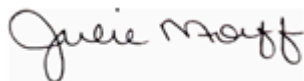
FISCAL DESCRIPTION

Currently, the minimum required attendance age for students is seven years of age. This bill lowers the age from seven to five years of age.


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



Julie Morff
 Director
 January 23, 2024



Ross Strobe
 Assistant Director
 January 23, 2024