

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0130-02
Bill No.: HCS for HB 304
Subject: Education, Elementary and Secondary: Elementary and Secondary Education
Department
Type: Original
Date: March 12, 2009

Bill Summary: Defines “significant difference in the time involved in transporting students” for purposes of school boundary line determinations made under §162.431, RSMo

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
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 2010	FY 2011	FY 2012
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

In response to the introduced version of this proposed legislation, officials from the **Department of Elementary and Secondary Education (DESE)** stated this proposed legislation further defines the provision within the boundary change statute that boards of arbitration should consider when making a decision regarding a boundary change. One of the considerations is educational harm to school aged children due to “significant” difference in the time involved in transporting students. This proposal would define “significant” as a difference of one hour or more per trip in travel time.

There would be no fiscal impact for the state transportation formula. There would also be no fiscal impact for the state school foundation formula unless the assessed value of the land taken from one district and added to another caused the losing district's assessed valuation to be less than the 2004 assessed value, the value in the foundation formula. Regardless of the impact on the school foundation formula, the school district losing land would lose local property tax.

DESE further stated that a loss of land in one district would result in a loss of local property tax for that district; conversely, the district that received the land would have a gain in local property tax. There is no way to estimate how many districts will be impacted or to what extent their local property taxes would increase or decrease.

Officials from the **Francis Howell School District** do not foresee any fiscal impact to their district as a result of this proposed legislation.

Officials from the **Sikeston School District** assume that few school districts are ever involved in type of undertaking and the fiscal impact would be negligible.

Oversight assumes that inter-district property transfers resulting from this proposal would be minimal and that tax rates in adjoining districts would be relatively equal. For fiscal purposes only, **Oversight** will show fiscal impact to local school districts as Unknown for districts gaining land and (Unknown) for districts losing land for a net fiscal impact of \$0.

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
LOCAL POLITICAL SUBDIVISIONS			
<u>Income</u> - School Districts - Increase in property tax income due to redistricting	Unknown	Unknown	Unknown
<u>Loss</u> - School Districts - Decrease in property tax income due to redistricting	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET IMPACT ON LOCAL POLITICAL SUBDIVISIONS	<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.

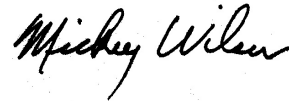
FISCAL DESCRIPTION

This proposal specifies the meaning of "significant difference in the time involved in transporting students" for purposes of elections to change school district boundaries as a difference of one hour or more per trip in travel time. "Travel time" will mean the period of time needed to transport a student from his or her residence or other designated pickup point to the student's school.

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
Sikeston
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
March 12, 2009