

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0472-02
Bill No.: HCS for HB 242
Subject: Education, Elementary and Secondary: Elementary and Secondary Education Department
Type: Original
Date: February 12, 2009

Bill Summary: Permits schools districts to adopt a four-day school week

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
General Revenue	\$0 to \$30,859,350	\$0 to \$30,859,350	\$0 to \$30,859,350
Total Estimated Net Effect on General Revenue Fund	\$0 to \$30,859,350	\$0 to \$30,859,350	\$0 to \$30,859,350

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 to Unknown	\$0 to Unknown	\$0 to Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education** state this proposal will have no fiscal impact on their agency or on local school districts.

Officials from the **Department of Labor and Industrial Relations (DOLIR)** did not respond to a request for fiscal note; however, in response to a similar proposal from last year (HB 1534 - FN 3455-01), DOLIR stated there would be no fiscal impact on their agency.

Officials from the **Francis Howell School District** assume this proposal will have no negative fiscal impact and could reduce transportation costs to their district. Elimination of one day of transportation could produce savings of more than \$1 million for their district; however, the district has not completed a formal study of the cost savings.

Officials from the **Sikeston School District** assume there should be some cost savings, but were unable to quantify what those savings might be.

Officials from the **St Charles School District** responded in the introduced version of this proposal that districts with considerable transportation costs may experience a significant reduction in expenditures. Allowing these same schools to make up snow days on Fridays could potentially eliminate the need to extend the school year into late May or early June. Closing schools sooner allows schools to convert their buildings to "summer mode" for air conditioning, thus reducing costs. High schools will have difficulty scheduling athletic events with neighboring schools who are on a five day week and a shorter day. Also, outdoor athletic events/practices may be difficult to schedule in the late fall and early spring unless the athletic facilities are lighted.

Officials from the **Special School District of St Louis County (SSD)**, in the introduced version of this proposal, assumed a four day school week would save in transportation expense, but it is difficult to quantify. Most of their bus routes are tied to other routes and a cost reduction would depend on whether all schools tied to the routes were on 4 day schedules. SSD transports students to 23 other school districts in St. Louis County. Officials assume SSD could reduce the expense by \$1 million. SSD would also save on utilities expense, but that is subject to the expense incurred when bringing the heat back up at the end of the weekend.

Oversight assumes there could be savings in reimbursement of eligible transportation costs. According to the DES website, a summary of state transportation aid dated June 26, 2008, ASSUMPTION (continued)

payment for 2007-08 costs showed the total aid paid was \$167,797,713. **Oversight** assumes that changing to a four-day school week with a minimum for 142 school days, compared to 174 school days for a five-day school week, would result in 32 fewer "transportation" days. This could result in a potential savings to General Revenue for state aid of \$30,859,350. The proposal is permissive, allowing school boards to establish a four day school week in lieu of a five-day school week. **Oversight** will range the savings from \$0 to \$27,964,780 annually. **Oversight** also assumes there could be a potential fiscal impact to the food services program and utility costs.

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
GENERAL REVENUE			
<u>Savings</u> - Reduced State Transportation Aid	\$0 to <u>\$30,859,350</u>	\$0 to <u>\$30,859,350</u>	\$0 to <u>\$30,859,350</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0 to</u> <u>\$30,859,350</u>	<u>\$0 to</u> <u>\$30,859,350</u>	<u>\$0 to</u> <u>\$30,859,350</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
LOCAL POLITICAL SUBDIVISIONS			
<u>Savings</u> - School Districts - Food Service and Utility Costs	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>

FISCAL IMPACT - Small Business

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

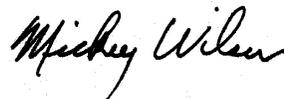
FISCAL DESCRIPTION

This bill allows school districts to establish a four-day week upon a majority vote of the school board. The number of required hours in a school year remains at 1,044, but the number of days will be 142 rather than 174.

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 Labor and Industrial Relations
School Districts
 St Charles
 Sikeston
 Francis Howell
 Special School District of St Louis County



Mickey Wilson, CPA
Director
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