

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5151-01  
Bill No.: HB 2230  
Subject: Education, Elementary and Secondary  
Type: Original  
Date: March 29, 2010

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Bill Summary: This proposal modifies provisions relating to charter schools.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
<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 2011	FY 2012	FY 2013
<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>			
<b>FUND AFFECTED</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Higher Education** assume this proposed legislation would have no direct, foreseeable fiscal impact on their agency.

Officials from the **Department of Social Services - Division of Youth Services (DOS-DYS)** state that most youth are discharged from the care and supervision of DOS-DYS prior to attaining age eighteen. Since school completion/graduation generally occurs for most youth around age eighteen, DOS-DYS assumes no fiscal impact on its programming.

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

#### §160.405.6

This section requires DESE to conduct a study of schools who fit this criteria. The study would require DESE to assess student performance, graduation rates, educational outcomes, and entry into workforce or post-secondary education. DESE assumes this study could be completed without significant cost.

#### §160.410

DESE notes that the language in the proposal authorizing nonresident students to attend charter schools does not address whether it is the nonresident or resident district's state and local aid that should be paid the charter. If the money is supposed to follow the student, then there would be little, if any, increased cost to the state school foundation formula. DESE's assumption is that the student is already attending a public school but now makes a choice to attend a charter public school.

In response to an identical proposal from this session (SB 835 - FN 4710-01), officials from the **Special School District of St Louis County (SSD)** assume this proposed legislation could reduce state funding for the Special School District if current students would enroll in a new charter school. It is difficult to estimate the impact without good information as to how many St. Louis County charter schools would start up as a result of this proposal. On the whole, this proposed legislation is not expected to have a material fiscal impact on SSD as charter schools don't tend to take many students with disabilities.

Officials from the **Independence School District** are not aware of any direct fiscal impact to

ASSUMPTION (continued)

their school district resulting from this proposed legislation.

In response to an identical proposal from this session (SB 835 - FN 4710-01), officials from the **Francis Howell School District** and the **Parkway School District** assumed no fiscal impact from this proposal.

In response to an identical proposal from this session (SB 835 - FN 4710-01), officials from the **St Louis City Public School District** responded, but did not indicate fiscal impact, if any.

Officials from the **University of Missouri - St Louis** stated there appear to be no major fiscal consequences as a result of the changes in this proposed legislation.

Officials from **Washington University** assume no fiscal impact.

**This proposal was sent to the other charter school sponsors, none of which responded.**

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<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

The proposed legislation appears to have no fiscal impact.

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 Higher Education

Charter School Sponsors

Washington University

University of Missouri - St Louis

School Districts

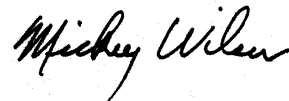
Parkway

Francis Howell

Special School District of St Louis County

St Louis City Public School District

Independence



Mickey Wilson, CPA

Director

March 29, 2010