

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4044-06  
Bill No.: HCS for HB 1139  
Subject: Education, Elementary and Secondary; Elementary and Secondary Education Department  
Type: Original  
Date: April 7, 2014

Bill Summary: This proposal modifies school calendar requirements.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	\$0	\$0 or (Unknown - Expected to exceed \$100,000)	\$0 or (Unknown - Expected to exceed \$100,000)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0 or (Unknown - Expected to exceed \$100,000)</b>	<b>\$0 or (Unknown - Expected to exceed \$100,000)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
State School Moneys Fund*	\$0	\$0*	\$0*
<b>Total Estimated Net Effect on <u>Other</u> State Funds*</b>	<b>\$0</b>	<b>\$0*</b>	<b>\$0*</b>

**\*Offsetting Transfers In and Transfers Out are \$0 or Unknown - Expected to exceed \$100,000 in FY 2016 and 2017.**

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</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 2015</b>	<b>FY 2016</b>	<b>FY 2017</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 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0 or (Unknown - Expected to exceed \$100,000)</b>	<b>\$0 or (Unknown - Expected to exceed \$100,000)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assume that because the foundation formula is underfunded there would be no additional cost to the state. In addition, the use of hours instead of days and hours would not have an effect on the way Average Daily Attendance (ADA) is calculated. It would not cause the ADA to either rise or fall.

However, DESE assumes that the requirement that every student not achieving proficient on a statewide assessment would have to take summer school could increase ADA significantly (§167.227.5). This increased ADA would increase the formula call and thus would be an increased cost to the state if the formula is fully funded. The cost is unknown but would be over \$100,000.

**Oversight** assumes the earliest the foundation formula could be fully funded would be in FY 2016. For fiscal note purposes only, Oversight will show a fiscal impact of \$0 (formula not fully funded) or (Unknown - Expected to exceed \$100,000) (formula fully funded) for FY 2016 and FY 2017.

Officials from the **Special School District of St. Louis County (SSD)** assume this bill could have a negative fiscal impact on the SSD depending on whether the summer school requirement will apply to SSD. Technically, SSD provides Extended School Year and not Summer School. If this bill applies to SSD, it would substantially increase costs as the requirement would about double the amount of hours provided. SSD estimates the increase in salaries and benefits would be about \$2 million. Other provisions could also increase costs including the increase in hours of instruction by 41 hours which could increase salaries especially for hourly staff.

In response to the introduced version of this proposal, the following school districts provided the following assumptions:

Officials from the **Cole County R-I School District** assumed there could possibly be a cost to school districts when they are required to have summer school for those students who are required to attend summer school that do not score proficient on the state exam. Schools would be required to provide transportation to these students.

Officials from the **Francis Howell School District (FHSD)** stated that FHSD students are already in attendance 1,085 hours, so there would be no fiscal impact from that provision.

ASSUMPTION (continued)

Officials from the **Fulton School District** assume no fiscal impact.

Officials from the following school districts: Blue Springs, Branson, Caruthersville, Charleston R-I, Columbia, Fair Grove, Harrison R-IX, Independence, Jefferson City, Johnson County R-7, Kansas City, Kirksville, Kirbyville R-V, Lee's Summit, Malden R-I, Malta Bend, Mexico, Monroe City R-I, Nixa, Parkway, Pattonville, Raymore-Peculiar R-III, Raytown, Riverview Gardens, Sedalia, Sikeston, Silex, Spickard R-II, Springfield, St Joseph, St Louis, St. Charles, Sullivan, Warren County R-III, and Waynesville did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2015	FY 2016	FY 2017
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**GENERAL REVENUE**

<u>Transfer Out</u> - Department of Elementary and Secondary Education (DESE) - Increased state aid for summer school (\$167.227.5)	\$0	\$0 or (Unknown - Expected to exceed \$100,000)	\$0 or (Unknown - Expected to exceed \$100,000)
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<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>\$0</u></b>	<b><u>\$0 or (Unknown - Expected to exceed \$100,000)</u></b>	<b><u>\$0 or (Unknown - Expected to exceed \$100,000)</u></b>
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FISCAL IMPACT - State Government  
 (Continued)

FY 2015                      FY 2016                      FY 2017

**STATE SCHOOL MONEYS FUND**

<u>Transfer In</u> - General Revenue - Increased state aid for summer school (\$167.227.5)	\$0	\$0 or Unknown - Expected to exceed \$100,000	\$0 or Unknown - Expected to exceed \$100,000
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<u>Transfer Out</u> - School Districts - Increased state aid for summer school (\$167.227.5)	\$0	\$0 or (Unknown - Expected to exceed \$100,000)	\$0 or (Unknown - Expected to exceed \$100,000)
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<b>ESTIMATED NET EFFECT ON STATE SCHOOL MONEYS FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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FISCAL IMPACT - Local Government

FY 2015                      FY 2016                      FY 2017

**LOCAL POLITICAL SUBDIVISIONS**

<u>Transfer In</u> - School Districts - Increased state aid for summer school (\$167.227.5)	\$0	\$0 or Unknown - Expected to exceed \$100,000	\$0 or Unknown - Expected to exceed \$100,000
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<u>Costs</u> - School Districts - Expenses for increased summer school (\$167.227.5)	\$0	(Unknown - Expected to exceed \$100,000)	(Unknown - Expected to exceed \$100,000)
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<b>ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS</b>	<b><u>\$0</u></b>	<b><u>\$0 or (Unknown - Expected to exceed \$100,000)</u></b>	<b><u>\$0 or (Unknown - Expected to exceed \$100,000)</u></b>
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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

Currently, school districts must schedule a minimum of 174 school days with 1,044 hours. This bill revises the requirement to be a calendar of 1,085 hours of planned attendance, with no requirement as to the number of days. No school day shall be longer than eight hours.

The regular school term must not open earlier than seven days before Labor Day or extend beyond the last day of May. The Department of Elementary and Secondary Education (DESE) shall withhold an amount equal to one-half of state funding the district generated under §163.031 for each day a district is in violation of these provisions.

The bill also defines a standard "summer school term" as no less than 144 hours with six weeks of no more than four days per week. Summer school must not start before the second Monday in June or extend beyond the last day of July, allowing for a July fourth holiday of four days.

DESE must provide a testing window for statewide assessments that allows the results to be received in time for determining if a student will be required to attend summer school, but no earlier than May first. School districts must require students who score less than proficient on a statewide assessment to attend summer school immediately following the school term in which the student was assessed, with promotion conditioned upon summer school attendance.

Districts must also develop a summer school teacher selection policy that describes objective qualifications for summer school employment.

The bill becomes effective July 1, 2015.

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

Elementary and Secondary Education

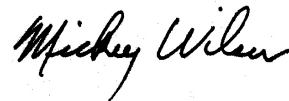
School Districts

Special School District of St. Louis County

Cole County R-I

Fulton

Francis Howell



Mickey Wilson, CPA

Director

April 7, 2014

Ross Strobe

Assistant Director

April 7, 2014