

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0437-01  
Bill No.: HB 263  
Subject: Education, Elementary and Secondary; Public Records; Public Meetings  
Type: Original  
Date: January 31, 2017

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Bill Summary: This proposal requires school districts to post certain financial information online for public access.

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<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.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Local Government</b>	<b>(Unknown over \$200,000)</b>	<b>(Unknown over \$200,000)</b>	<b>(Unknown over \$200,000)</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials at the **Department of Elementary and Secondary Education (DESE)** assume they do not anticipate significant costs to create the template. Local school districts and charter schools will likely incur significant costs to comply with this proposal. We defer to them regarding the extent of any costs.

Officials at the **Bakersfield R-IV School District** assume a cost of \$1,750.

Officials at the **Brentwood School District** estimate \$1,200 annually in additional expenses.

Officials at the **Forsyth R-III School District** assume a negative impact.

Officials at the **Kearney School District** assume a cost of \$20,000 annually.

Officials at the **Kirksville R-III School District** assume a slight negative impact. They currently maintain all this data but it is not on website.

Officials at the **Orrick School District** assume software and labor expenses of \$6,000 to \$8,000.

Officials at the **Pettis County R-XII School District** assume \$1,000 to \$2,000 annually for software and maintenance.

Officials at the **Special School District of St. Louis County** assume a cost of \$5,800.

Officials at the **West Plains School District** assume the term “searchable budget” is not defined, and therefore, they are unsure if they would need to purchase special software to meet requirements. Estimated cost for software is \$5,000 annually.

Officials at the **Kansas City, Parkway** and the **Wright City R-II** school districts each assume there is no fiscal impact from this proposal to their respective district.

**Oversight** notes this proposal requires school districts to develop, maintain and make publicly available a searchable budget and detail of actual income and expenditures. The information must be accessible and searchable for ten years. The Department of Elementary and Secondary Education shall create a template that school districts may use for posting this information.

ASSUMPTION (continued)

**Oversight** assumes that DESE will be able to create the template using existing resources.

**Oversight** notes that of the school districts that responded to Oversight, all showed costs greater than \$1,000 per district. Oversight notes there are currently 518 school districts. If just half the school districts need the \$1,000 or more to comply with this proposal, costs would exceed \$259,000. Oversight will show a direct fiscal impact to the school districts of Unknown over \$200,000.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
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**SCHOOL DISTRICT FUNDS**

<u>Costs</u> - School Districts - development and maintenance of required database	(Unknown over <u>\$200,000</u> )	(Unknown over <u>\$200,000</u> )	(Unknown over <u>\$200,000</u> )
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<b>ESTIMATED NET EFFECT ON SCHOOL DISTRICTS</b>	<b>(Unknown over <u>\$200,000</u>)</b>	<b>(Unknown over <u>\$200,000</u>)</b>	<b>(Unknown over <u>\$200,000</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

This bill requires every school district and charter school to maintain an accountability portal for the public. By September 1, 2018 each public school district and charter school must develop, maintain, and make available all publicly available budget, income, expenditure, and disbursement information for the current fiscal year. The data on the portal must be updated quarterly and remain available for at least 10 years.

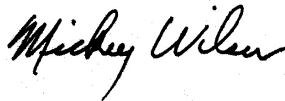
FISCAL DESCRIPTION (continued)

Additionally, the bill requires, by January 1, 2018, that the Department of Elementary and Secondary Education (DESE) create a template for voluntary use by any school district needing assistance in developing an accountability portal. In the event that a school district or charter school does not maintain a website, the information must be maintained through DESE.

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

Bakersfield R-IV School District  
Brentwood School District  
Department of Elementary and Secondary Education  
Forsyth R-III School District  
Kansas City Public Schools  
Kearney School District  
Kirksville R-III School District  
Orrick School District  
Parkway School District  
Pettis County R-XII School District  
Special School District of St. Louis County  
West Plains School District  
Wright City R-II School District



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January 31, 2017

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January 31, 2017