

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5728-01
Bill No.: HB 2032
Subject: Elementary and Secondary Education; Transportation
Type: Original
Date: January 26, 2018

Bill Summary: This proposal modifies the process by which travel hardships are granted to public school pupils.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on FTE	0	0	0

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 2019	FY 2020	FY 2021
Local Government*	\$0	\$0	\$0

* Offsetting revenue and losses.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assume the proposal will have no fiscal impact on their organization. DESE defers to local school districts.

Officials from the **Kirksville R-III School District** assume this proposal should have a positive fiscal impact for transportation purposes on the district.

Officials from the **West Plains School District** assume this proposal will have no cost impact.

Officials from the **Wellsville-Middletown R-1 School District** assume this proposal has the potential to have a negative fiscal impact on the district. Since the district already has relatively small classes, the loss of ADA and local tax dollars per student has a more significant impact on a small school.

Officials from the **Summersville R2 School District** assume this proposal will have little to no impact on the district.

Oversight assumes this proposal establishes certain requirements for pupils to qualify for an assignment to another school district due to travel hardships. Currently, the assignment to another school district due to a travel hardship typically requires a ride time greater than 75 minutes. Oversight assumes this changes the requirement so that a pupil is eligible if the driving distance to the school of residence is fifteen miles or more by the shortest route available and the receiving school must be five miles closer in actual driving distance by the shortest route available.

Oversight is unable to determine the change in the number of travel hardship assignments granted under this proposal. Oversight assumes the direct net effect on schools districts would be zero as the receiving district would receive tuition payments from district of residence for the transferring student.

Oversight notes the assignment of a pupil to another school district, once granted, remains in effect until the pupil completes his or her course of study or it is withdrawn by the parents. Oversight notes the assignment is also applicable to the pupil's siblings.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
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LOCAL SCHOOL DISTRICT FUNDS

<u>Revenue</u> - Receiving District - tuition payments from district of residence	Unknown	Unknown	Unknown
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<u>Loss</u> - Sending District - loss of funds sent to receiving district	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICT FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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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 changes the law regarding travel hardships. A student is eligible to apply to the Commissioner of Education to attend a school outside his or her district of residence if the student attended a public school in the district of residence during the school year prior to the application, attended a public school outside the district of residence and paid nonresident tuition for the school year prior to the application, or became eligible for kindergarten or first grade.

The commissioner shall assign the student and any siblings to another school district if the driving distance of the shortest route from the student's home to the school in the district of residence is at least 15 miles, the driving distance of the shortest route from the student's home to the school in the receiving district is at least five miles closer, and the student's attendance in the receiving district will not cause the classroom to exceed the number of pupils per class as determined by the receiving district. The hardship assignment will continue until the pupil and any sibling completes his or her course of study. The district of residence will pay tuition to the district the student will attend.

FISCAL DESCRIPTION (continued)

Any hardship assignments granted before this legislation becomes effective will continue until the student and any siblings completes his or her course of study.

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
Kirksville R-III School District
West Plains School District
Wellsville-Middletown R-1 School District
Summersville R2 School District

Ross Strobe



Acting Director
January 26, 2018