

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0641-02
Bill No.: HB 377
Subject: Education, Elementary and Secondary; Telecommunications
Type: Original
Date: February 6, 2015

Bill Summary: This proposal requires school districts to develop a system for identifying students who are at risk of not being ready for college-level work or entry-level career positions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(\$398,455)	(\$523,455)	(\$648,455)
Total Estimated Net Effect on General Revenue	(\$398,455)	(\$523,455)	(\$648,455)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
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 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
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 2016	FY 2017	FY 2018
Local Government	(Unknown over \$100,000)	(Unknown over \$100,000)	(Unknown over \$100,000)

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Elementary and Secondary Education (DESE)** assume this proposal would require the reinstatement of the English I EOC assessment at a cost of \$398,455 for the first year. An increase of approximately \$125,000 per year would occur in subsequent years for form development as there is currently only one operational form. The English I EOC is currently offered to students but this proposal would require all students to take it. If it is required then DESE must pay for it. DESE defers to local school districts regarding the extent of any costs related to schools.

Officials at the **Department of Higher Education** assume §173.750.5 requires the department, in consultation with DESE, to develop a report analyzing performance of graduates from public high schools relative to their scores on the statewide assessment for English I and Algebra I. This report will need to be completed by July 1, 2018 and could be accomplished with existing personnel.

Officials at the **Kansas City Public Schools** assume this could have an impact. The impact is unknown but expected to be less than \$25,000.

Officials at the **Pattonville School District** assume they would need to hire a new counselor at \$75,000 annually.

Officials at the **Everton R-III Schools** assume an impact of \$10,000 annually.

Officials at the **Special School District of St. Louis** assume this would have a negative impact as they would need to hire two additional counselors.

Officials at the **Malta Bend Schools** assume there is no fiscal impact from this proposal.

Oversight notes this proposal requires school districts to develop a policy and implement a measurable system for identifying students who are at risk of not being ready for college-level work or for entry-level career positions. Oversight assumes this proposal requires school districts to take into account the score of the student on the English I statewide assessment. Oversight will show in the fiscal note, the implementation by DESE of the English I assessment.

Oversight notes that school districts will have costs associated with the implementation of the policies required under this proposal. Oversight will show the impact to all school districts as Unknown over \$100,000.

ASSUMPTION (continued)

Officials at the following schools: Blue Springs Public Schools, Branson Public Schools, Caruthersville School District, Cole R-I Schools, Columbia Public Schools, Fair Grove Schools, Fulton Public School, Harrisonville School District, Independence Public Schools, Jefferson City Public Schools, Kirksville Public Schools, Kirbyville R-VI Schools, Lee Summit Public Schools, Macon School, Mexico Public Schools, Monroe City R-I Schools, Nixa Public Schools, Parkway Public Schools, Raymore-Peculiar R-III Schools, Raytown School District, Riverview Gardens School District, Sedalia School District, Sikeston Public Schools, Silex Public Schools, Spickard School District, Springfield School District, St Joseph School District, St Louis Public Schools, St. Charles Public Schools, Sullivan Public Schools, Warren County R-III School District and Waynesville Public School did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
---	---------------------	---------	---------

GENERAL REVENUE

<u>Cost - DESE - administering the English I EOC to all students</u>	<u>(\$398,455)</u>	<u>(\$523,455)</u>	<u>(\$648,455)</u>
--	--------------------	--------------------	--------------------

ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$398,455)</u>	<u>(\$523,455)</u>	<u>(\$648,455)</u>
--	---------------------------	---------------------------	---------------------------

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
---	---------------------	---------	---------

LOCAL SCHOOL DISTRICTS

<u>Costs - School Districts - implementation of the new policy on college readiness</u>	<u>(Unknown over \$100,000)</u>	<u>(Unknown over \$100,000)</u>	<u>(Unknown over \$100,000)</u>
---	---------------------------------	---------------------------------	---------------------------------

ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICTS	<u>(Unknown over \$100,000)</u>	<u>(Unknown over \$100,000)</u>	<u>(Unknown over \$100,000)</u>
---	--	--	--

FISCAL IMPACT - Small Business

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

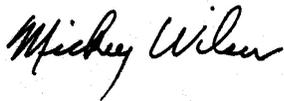
FISCAL DESCRIPTION

This legislation requires school districts to develop a system for identifying students who are at risk of not being ready for college-level work or entry-level career positions.

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
Everton R-III Schools
Kansas City Public Schools
Malta Bend Schools
Pattonville School District
Special School District of St. Louis



Mickey Wilson, CPA
Director
February 6, 2015

Ross Strobe
Assistant Director
February 6, 2015