

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0988-01  
Bill No.: SB 123  
Subject: Education, Elementary and Secondary; St Louis; Kansas City  
Type: Original  
Date: January 31, 2011

Bill Summary: This proposal allows foreign language immersion charter schools to enroll four year old children.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	(Unknown - Up to \$2,359,010)	\$0	\$0
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Unknown - Up to \$2,359,010)</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
State School Monies 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 Out for FY 12 are (Unknown - Up to \$2,359,010)

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 2012</b>	<b>FY 2013</b>	<b>FY 2014</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 2012</b>	<b>FY 2013</b>	<b>FY 2014</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 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Local Government</b>	<b>Unknown - Up to \$2,359,010</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

According to officials from the **Office of Secretary of State (SOS)**, many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the proposal. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

According to officials from the **Joint Committee on Administrative Rules (JCAR)**, this proposal will have no fiscal impact on JCAR.

Officials from the **Department of Social Services** assume this proposal is not expected to reduce the amount of state aid otherwise available to the Division of Youth Services through the school foundation formula.

According to officials from the **Department of Elementary and Secondary Education (DESE)**, this proposal would allow foreign language immersion charter schools to enroll students if they are four before August 1st and count them in attendance for state aid.

	# of 5 year-olds	Payment per weighted ADA	TOTAL
Academie Lafayette	122	8226.6056	\$1,003,646
St Louis Language Immersion	183	7406.3655	\$1,355,365
			\$2,359,010

ASSUMPTION (continued)

Assuming the number of 4-year-olds eligible to attend is equal to the number of 5-year-olds currently attending the existing two foreign language immersion schools, then this figure could represent the potential cost. An exact amount cannot be determined since it is not known the number of students that would take advantage of this opportunity. DESE assumes this would appear to be a one-time bump in cost which will level out as those kids continue in school.

**This proposal was sent to charter school sponsors, non of which responded.** In a similar proposal from last session (SB 956 FN 4702-02), the following charter school sponsors responded:

Officials from **Washington University** stated there was no impact for Washington University or KIPP: Inspire.

Officials from the **University of Missouri - St Louis** assumed no financial impact for their immersion school.

Officials from **Central Missouri University** stated no fiscal impact for charter school sponsors.

Officials from the **University of Missouri - Kansas City** assumed the cost of educating four year olds would be similar to the current cost of educating a five year old.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
<b>GENERAL REVENUE</b>			
<u>Cost</u> - Department of Elementary and Secondary Education (DESE) Increased State Aid	(Unknown - Up to \$2,359,010)	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(Unknown - Up to \$2,359,010)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>STATE SCHOOL MONEYS FUND</b>			
<u>Transfer In</u> - Increased State Aid	Unknown - Up to \$2,359,010	\$0	\$0
<u>Transfer Aid</u> - Increased State Aid to certain charter schools	(Unknown - Up to \$2,359,010)	<u>\$0</u>	<u>\$0</u>
<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>
<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
Transfer In - Charter Schools - Increased State Aid	Unknown - Up to \$2,359,010	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>Unknown - Up to \$2,359,010</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This proposal allows charter schools, whose mission includes foreign language immersion and whose instruction is wholly conducted in a foreign language for at least the first two years of a student's enrollment, to enroll four-year-old children and include them in their average daily attendance and weighted average daily attendance count for state aid. To be eligible for enrollment in a foreign language immersion charter school, a child must have attained the age of four before August 1st of the school year beginning in that calendar year. If the child resides in a school district that has authority to establish a resolution adopting a date between August 1st and October 1st for purposes of eligibility for enrollment, a child must have attained the age of four before the date established in the school district's resolution.

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 Social Services  
Joint Committee on Administrative Rules  
Office of Secretary of State  
    Administrative Rules Division  
Charter School Sponsors  
    University of Missouri - St Louis  
    University of Missouri - Kansas City  
    Central Missouri University  
    Washington University



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