

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1130-01
Bill No.: SB 296
Subject: Education, Elementary and Secondary; Elementary and Secondary Education
Dept.
Type: Original
Date: February 3, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** responded that, pursuant to the requirements of the No Child Left Behind Act (NCLB), DESE must submit to the U.S. Department of Education the State plan for determining public school accountability no later than January 31, 2003. The plan must ensure that all local education agencies (LEAs) make adequate yearly progress (AYP). The process for identifying schools not making AYP began with the 2002-2003 school year.

The DESE accreditation process is directly tied to enforcement of NCLB, which has strict time lines for ensuring that 100% of Missouri public school students will meet or exceed the State's proficient level of academic achievement by 2014. Increases in student achievement must be met incrementally up to that time. The first increase in student achievement must occur in not less than two years; following increases must occur in not more than three years. Delaying this process could possibly equate to the loss of NCLB funds. Failure to comply with NCLB could jeopardize approximately \$2,000,000 dollars in federal Title I, II and V funds if DESE is found by the U.S. Department of Education to be non-compliant.

Oversight assumes that action by the U.S. Department of Education is a matter of speculation; therefore, potential losses of federal funds are not shown on the fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Small Business</u>			

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

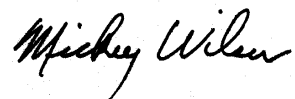
DESCRIPTION

This proposal adds a condition to the State Board of Education's authority to classify the public schools of this state that states that any rule requirements for the purpose of classifying the public schools must be in place for two years prior to implementation.

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



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Director
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