

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0845S.01I
Bill No.: SB 166
Subject: Education, Elementary and Secondary; Elementary and Secondary Education,
Department of; Teachers
Type: Original
Date: April 5, 2021

Bill Summary: This proposal allows students to attend multiple public summer school programs non-concurrently.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on General Revenue	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Section 167.227 Summer School

Officials from **Department of Elementary and Secondary Education** assume there will be a fiscal impact; however, the department does not have available data to predict the increase in average daily attendance (ADA) by allowing students to attend more than one summer school.

Oversight notes, per section 163.011, "Full-time equivalent average daily attendance of summer school students" shall be computed by dividing the total number of hours, except for physical education hours that do not count as credit toward graduation for students in grades nine, ten, eleven, and twelve, attended by all summer school pupils by the number of hours required in section 160.011 in the school term."

One full term of attendance is 1,044 hours per student. For each full term of attendance, the average state funding per ADA is approximately at \$5,066 (per DESE) or \$4.85 per hour of full term attendance. For each additional hour of summer school attendance, Oversight estimates the cost to be approximately \$4.85. However, Oversight notes this is an approximation of the cost as the state aid payment can vary greatly by district.

Oversight notes school districts reported 24,714,414 hours of summer attendance in 2018, based on information provided by DESE from a previous year.

Oversight estimates to reach a revenue impact of \$250,000 would require a change in attendance hours of approximately 52,000 hours or approximately 50 ADA ($52,000 * \$4.85 = \$252,200$). Oversight notes an increase of 52,000 hours is a 0.2% increase in total attendance; therefore, Oversight assumes it is possible the impact could exceed \$250,000.

Oversight assumes an increase in ADA would result in an increased call to the foundation formula. Therefore, Oversight will show a range of impact of \$0 (no increase in ADA or not appropriated) to an unknown cost to General Revenue and increase in revenue to school districts.

Oversight notes while the foundation formula has been fully funded in recent years, we are unable to predict whether it will be fully funded in future fiscal years. Oversight notes that if the foundation formula is fully funded there would be an additional cost to General Revenue for this increase.

If the foundation formula is not fully funded, there would not be necessarily be an additional cost to General Revenue, instead any costs for additional attendance would be borne by school districts.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
GENERAL REVENUE			
<u>Costs</u> - increased ADA for summer school	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
SCHOOLS DISTRICTS			
<u>Costs</u> - increased summer school attendance	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
<u>Revenue Gain</u> - increased ADA for summer school	\$0 or <u>Unknown</u>	\$0 or <u>Unknown</u>	\$0 or <u>Unknown</u>
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

Under this act, no pupil shall attend summer school classes in more than one district concurrently during any one summer.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

L.R. No. 0845S.011

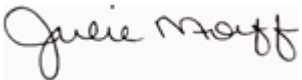
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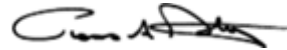
April 5, 2021

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
High Point R-III School District



Julie Morff
Director
April 5, 2021



Ross Strobe
Assistant Director
April 5, 2021