

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3653-01
Bill No.: HB 1963
Subject: Children and Minors: Education, Elementary and Secondary
Type: Original
Date: April 17, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	(\$72,234 to Unknown)	(\$84,207 to Unknown)	(\$86,320 to Unknown)
Motivating Parents and Children Fund	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds*	(\$72,234 to Unknown)	(\$84,207 to Unknown)	(\$86,320 to Unknown)

* Subject to appropriation; costs expected to exceed \$100,000

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
School Districts	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Treasurer** indicated this proposed legislation would have no fiscal impact on their agency.

Officials from the **Secretary of State's Office (SOS)** assumed the rules, regulations and forms issued by the Department of Elementary and Secondary Education could require as many as 10 pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in the *Missouri Register* as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the *Missouri Register* is \$23. The estimated cost of a page in the *Code of State Regulations* is \$27. The actual costs could be more or less the SOS's estimated cost of \$615 for FY 2003. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.

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.

Officials from the **Department of Elementary and Secondary Education (DESE)** assumed that, subject to appropriation, the "Motivating Parents and Children Fund" would see an unknown impact. The amount of the grants is not specified in the proposal; however, DESE assumes the impact would be significant. DESE would require 1.0 FTE Coordinator as provided in the proposal, 1.0 FTE Supervisor, and 1.0 FTE Administrative Assistant to develop, implement, and administer a program of family support; to establish and administer an incentive program and a child care volunteer program, and to develop qualifying criteria.

DESE assumes the school districts would have a minimal fiscal impact not covered by the grant award.

Oversight assumes that since this is a pilot program with six school districts the Coordinator position, as required in the proposed legislation, would be adequate to develop and administer the programs outlined in the proposal. **Oversight** also assume that minimal costs not covered by the grant awards could be absorbed by the districts with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
GENERAL REVENUE FUND			
<u>Cost</u> - Elementary and Secondary Education (DESE)			
Personal Service (1 FTE Coordinator)	(\$49,350)	(\$60,701)	(\$62,218)
Benefits	(\$17,771)	(\$21,858)	(\$22,405)
Equipment and Expense	<u>(\$5,113)</u>	<u>(\$1,648)</u>	<u>(\$1,697)</u>
Total Administrative <u>Cost</u>	(\$72,234)	(\$84,207)	(\$86,320)
<u>Cost</u> - DESE			
Transfer to Motivating Parents and Children Fund (MPAC)	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$72,234 to Unknown)</u>	<u>(\$84,207 to Unknown)</u>	<u>(\$86,320 to Unknown)</u>
MOTIVATING PARENTS AND CHILDREN FUND			
<u>Income</u> - Transfer from General Revenue	Unknown	Unknown	Unknown
<u>Cost</u> - Grants to participating school districts	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON MOTIVATING PARENTS AND CHILDREN FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>			
	FY 2003 (10 Mo.)	FY 2004	FY 2005
SCHOOL DISTRICTS			
<u>Income</u> - Grants from Motivating Parents and Children Fund	Unknown	Unknown	Unknown
<u>Cost</u> - Services to families with at-risk students	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT TO SCHOOL DISTRICTS	<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 proposed legislation creates a pilot program, "Motivating Parents and Children Program", for school age children considered at risk by their school district. The Department of Elementary and Secondary Education (DESE) will provide grants to six qualifying districts, three of which shall be urban and three rural. DESE shall provide a statewide program coordinator and develop a program of family support, which will also be available to home school students. The proposal specifies other elements of the program, including incentives for parents who attend parenting classes and requiring parents to spend a day in school with the child who violates a school rule. DESE must develop criteria for determining qualifications for the grant, and the proposal establishes a fund in the state treasury for the program.

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
Office of State Treasurer
Office of Secretary of State
Administrative Rules Division



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