

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4716-01
Bill No.: HB 1993
Subject: Elementary and Secondary Education; Teachers
Type: Original
Date: March 4, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	(\$300,000)	(\$300,000)	(\$300,000)
Total Estimated Net Effect on <u>All</u> State Funds*	(\$300,000)	(\$300,000)	(\$300,000)

***Subject to Appropriation**

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
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Offices from the **Department of Social Services - Division of Family Services/Income Maintenance** and the **Department of Health and Senior Services** indicated there would be fiscal impact to their agencies as a result this proposed legislation.

Officials from the **Department of Elementary and Secondary Education (DESE)** made the following assumptions regarding the WIN and TEACH projects:

The Opportunities in Professional Education Network (OPEN) office is a not-for-profit corporation affiliated with the University of Missouri. Through contacts at the OPEN office, the following cost figures were developed for the Workforce Initiative (WIN) project:

<u>Education Levels</u>	<u>Annual Incentive</u>	<u>Quantity</u>	<u>Cost</u>
H.S. Diploma and GEMS	\$ 500	163	\$ 81,500
CDA certificate	\$1,000	8	\$ 8,000
AA/AS/AAS	\$1,500	7	\$ 10,500
BA/BS	\$2,000	15	\$ 30,000
MA/MS	\$2,500	<u>7</u>	<u>\$ 17,500</u>
		<u>200</u>	<u>\$147,500</u>
Incentive Costs		\$147,500	
Operating Expenses		\$ 20,000	
Subtotal		<u>\$167,500</u>	
Indirect Costs		<u>\$ 21,218</u>	

The Missouri Child Care Resource and Referral Network (MOCCRRN) office is a not-for-profit corporation with eight agencies throughout Missouri. The contacts at the MOCCRRN office, the following cost figures were developed for the Teacher Education and Compensation Helps (TEACH) project:

35 Scholarships in four rural counties	\$ 89,313
Operating Expenses	<u>\$ 15,000</u>
Subtotal	\$104,313
Indirect Costs	\$ 8,345
Total	<u>\$112,658</u>

ASSUMPTION (continued)

The total for both programs is approximately \$300,000. The calculations are estimates provided by the OPEN and MOCCRRN offices and are based on incentive payments for 200 people and scholarships for 35 people. The incentives and scholarships will be awarded in four separate rural counties in the state for a period of four years.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
GENERAL REVENUE			
<u>Cost - Department of Elementary and Secondary Education</u>			
Project Funding Costs*	<u>(\$300,000)</u>	<u>(\$300,000)</u>	<u>(\$300,000)</u>
*Subject to Appropriation			

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposed legislation will directly impact two non-for-profit corporations: OPEN and MOCCRRN.

DESCRIPTION

This proposed legislation establishes two four-year pilot projects in four rural counties that will provide incentives to early childhood education professionals, as defined in the proposal. The WIN Project will be administered through the opportunities in professional education network initiative (OPEN) with funding from the Department of Elementary and Secondary Education to encourage retention and career development. Incentive payments ranging from \$500 to \$2,500 will be provided to professionals who meet conditions specified in the bill, based on their level of education. The Missouri Child Care Resource and Referral Network will administer the Teacher Education and Compensation Helps (TEACH) Project, which awards scholarships to professionals who meet the conditions specified in the bill. Scholarships will pay up to 90% of tuition and books, travel, and release time, among other items. The department must report to the General Assembly by December 31, 2006, its recommendations for continuing, expanding, or modifying the WIN and TEACH projects.

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

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Department of Elementary and Secondary Education
Department of Health and Senior Services
Department of Social Services
Division of Family Services/Income Maintenance

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a prominent loop at the end of the last name.

Mickey Wilson, CPA
Acting Director
March 4, 2002