

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5251-01  
Bill No.: SB 654  
Subject: Education, Elementary and Secondary; Teachers; Boards, Commissions, Committees, Councils  
Type: Original  
Date: February 13, 2012

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Bill Summary: This proposal requires the school board of each school district and charter school to establish an evaluation system for teachers and teaching.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</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 2013</b>	<b>FY 2014</b>	<b>FY 2015</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 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Local Government</b>	<b>\$0 or (Unknown)</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Elementary and Secondary Education Department** do not anticipate additional costs associated with the implementation of this proposal.

Officials from the **Parkway School District** and the **Mexico School District** assume no fiscal impact to their districts.

Officials from the **University of Missouri System**, as a charter school sponsor, state this proposal has no financial impact on the university.

Officials from **Central Missouri University** (charter school sponsor) state the fiscal impact would be on the charter schools/districts to develop the evaluation system if they don't already have a system in place. There would be a cost to the schools for training the evaluators and a cost for professional development for the teachers. If any of the components of an existing evaluation program need revision, there would be a cost to creating and implementing the revisions. The cost range would depend on the evaluation system in place at a district or the type of new system purchased.

**Oversight** assumes school districts who do not have the evaluation plan outlined in the proposal in place could incur some costs to develop the plan, but the cost, if any, is unknown. For fiscal note purposes only, **Oversight** will show the fiscal impact as \$0 or (Unknown) for FY 13.

**This proposed legislation was sent to the following school districts, none of which responded to a request for fiscal impact: Blue Springs, Branson, Columbia, Fair Grove, Francis Howell, Independence, Jefferson City, Kirksville, Lee's Summit, Nixa, Raytown, Sedalia, Sikeston, Silex, Special School District of St Louis County, Spickard, Springfield, St Charles, St Joseph, St Louis City, Sullivan.**

**This proposal was also sent to the following charter school sponsors who did not respond to a request for fiscal impact: Kansas City Metropolitan Community College, Lindenwood University, Missouri Baptist University, Southeast Missouri University, St Louis School District, Washington University.**

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Cost - School Districts - Evaluation system development costs</u>	\$0 or (Unknown)	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<u>\$0 or (Unknown)</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This proposed legislation requires the school board of each school district and charter school to establish and maintain an evaluation system for teachers and teaching. The system must be established in collaboration with evaluators of instruction and teachers in the district or charter school.

The evaluation system must include performance reviews to provide feedback to teachers focused on instructional improvement and include summative evaluations. The evaluation system must evaluate teacher quality, teacher performance, and teacher effectiveness, as defined in the proposal. Multiple measures must be used. The school board must provide training for evaluators and use independent evaluators to ensure consistent application of criteria.

Each school district and charter school must develop guidelines for professional improvement plans for teachers and principals by June 30, 2013. The development of the guidelines must include teachers chosen the district teaching staff, administrators, and others.

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

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SOURCES OF INFORMATION

Department of Elementary and Secondary Education  
School Districts

Parkway  
Mexico

Charter School Sponsors

University of Missouri System  
Central Missouri University



Mickey Wilson, CPA  
Director  
February 13, 2012