

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1176-04
Bill No.: SCS for HCS for HB 388
Subject: Education, Elementary and Secondary; Elementary and Secondary Education Department; Boards, Commissions, Committees, Councils; Business and Commerce; Governor and Lieutenant Governor; General Assembly; Health and Senior Services Department; Nurses; Medical Procedures and Personnel
Type: Original
Date: May 14, 2013

Bill Summary: This proposal modifies provisions relating to elementary and secondary education.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 10 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

- 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).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)

FISCAL ANALYSIS

ASSUMPTION

According to officials from the **Office of Secretary of State (SOS)**, many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to Secretary of State's office for Administrative Rules is less than \$2,500. SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what their office can sustain with their core budget. Therefore, SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal with core funding. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

§161.092 - Public school classification notification

Officials from the **Department of Elementary and Secondary Education (DESE)** assume costs to provide notice in accordance with the requirements of this section are unknown; however, would not likely be significant.

In response to SB 125, officials from the **University of Missouri System** (Charter School Sponsors) stated this proposal will have no fiscal impact on the University System.

Officials from the **Joint Committee on Administrative Rules, Administrative Hearing Commission**, and the **Special School District of St. Louis County** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **St. Louis School District** did not respond to a request for fiscal impact.

ASSUMPTION (continued)

§161.248 - Educational programs for gifted and talented children

Officials from **DESE** assume that if it is determined that these duties could be carried out by existing staff, then this section would have no fiscal impact. However, if it is determined that additional staff would be required to fill the designated position, then costs would be incurred for 1.0 FTE director.

Oversight assumes if DESE determines that additional staff is needed, funding for that position would be requested through the appropriations process.

§161.249 - Advisory Council liaison and assistance

DESE assumes their agency might incur costs depending upon the actions of the council, but those costs would not likely be significant.

In response to SB 193, officials from the **Parkway School District, Francis Howell School District**, and the **Special School District of St. Louis County** each assumed the proposal would not fiscally impact their respective school districts.

§§162.081, 162.083, 162.1300 - School accreditation for failing school districts

In response to SCS for SB 7, officials from the **Kansas City Public Schools (KCPS)** assumed that this proposal has a few requirements that may have a fiscal impact to KCPS or the State of Missouri; however until such time as the State Board of Education establishes a policy statement on how they will implement change it is difficult to estimate the impact.

The following provisions will have a fiscal impact to either the district or state, depending on implementation policy which has not been developed by DESE.

KCPS assumes subsection 162.081.3 of this proposal allows for changes in governance and operations. If families flee the district because of fear or uncertainty of change after there has been demonstrated consistencies over the past year, the fiscal impact will be reduced enrollment and lower ADA. The district saw an increase in enrollment this past year and expects this trend to continue with the existing operational model.

Oversight assumes reduced enrollment and lower ADA is speculative and, for fiscal note purposes only, will assign no fiscal impact.

ASSUMPTION (continued)

KCPS assumes that if DESE exercises the provision to implement a Special Administrative Board (SAB) and completely dissolves the existing governing board, the proposal will require a series of public meetings, public vote, and methods for residents to provide public comments. Each of these may have logistical costs associated with them based on market rate public meeting and election costs for the district.

DESE assumes there may be some costs to local school districts and charter schools to implement the provisions of this portion of the proposal.

Oversight assumes statute is already in place to implement a SAB and there should be no fiscal impact over and above what which would be incurred with existing legislation.

Officials from the **Office of the Governor, Missouri House of Representatives, Missouri Senate, Parkway School District, Francis Howell School District, and the Special School District of St. Louis County** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Office of Lieutenant Governor, Normandy School District, and the Riverview Gardens School District** did not respond to a request for fiscal impact.

§§167.800, 167.803, 167.806, 167.809, 167.812, 167.818, 167.821, and 167.824 - Training of school employees in the care needed for students with diabetes

Officials from **DESE** assume the proposal will likely result in costs for the department; but, DESE does not anticipate significant costs.

Local school boards may adopt and implement the training guidelines. Costs to local school districts would depend upon the level of participation; DESE defers to local school districts regarding the potential level of participation and the potential costs.

The following responses were received for Perfected HCS for HB 675:

Officials from the **Special School District of St. Louis County (SSD)** stated that if a student has a health condition like diabetes, they already have one of their nurses provide any training that might be necessary for the teacher. SSD assumes this proposal requires a lot of specific topics which may add to the time and expense of the training.

ASSUMPTION (continued)

Oversight assumes the proposal is permissive to school districts for the adoption and implementation of the guidelines and training; therefore, no fiscal impact will be assigned to local school districts.

Officials from the **Department of Health and Senior Services, Department of Insurance, Finance and Professional Registration, Parkway School District, and University of Missouri System** (Charter School Sponsors) each assumed the proposal would not fiscally impact their respective agencies.

§168.221 - Duties of boards of education

Officials from the **Department of Elementary and Secondary Education** state this proposal will have no fiscal impact on their agency or on school districts.

Officials from the **Joint Committee on Administrative Rules, the Administrative Hearing Commission, Parkway School District, and the Special School District of St. Louis County** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **St. Louis Public School District** did not respond to a request for fiscal impact.

§171.181 - Sale or provision of certain commodities by certain school officials

Officials from **DESE** state this proposal will have no fiscal impact on their agency or on school districts.

In response to Perfected SB 242, officials from the **Missouri Ethics Commission, Parkway School District, and the Francis Howell School District** each assumed the proposal would not fiscally impact their respective agencies and school districts.

§§171.415.2 & 171.415.5 - Reporting requirements

Officials from **DESE** state their agency will incur programming and modification costs and report generation costs. However, DESE does not anticipate those costs will be significant.

Oversight assumes these costs can be absorbed with existing resources.

ASSUMPTION (continued)

§171.415.6 - Parent notification

DESE defers to the local school districts and charter schools regarding the extent of any costs related to notifying parents about the contents of the report and providing directions for accessing the information.

Officials from the **Parkway School District** and the **University of Missouri System** (Charter Sponsors) each assume the proposal would not fiscally impact their respective institutions.

In response to a similar proposal from this year (HCS for HB 388), officials from the **Gasconade C-4 School District** responded, but gave no indication of fiscal impact, if any.

Oversight assumes costs associated with this section would be minimal to school districts and could be absorbed.

§178.550 - Establishes the Career and Technical Education Advisory Council

Officials from **DESE** state that, until the make up of the council is determined, they cannot estimate costs; however, they do not anticipate significant costs.

In response to Perfected SCS for SB 17, the following responses were submitted:

Officials from **Linn State Technical College** and the **Kansas City Metropolitan Community College** indicated an unknown fiscal impact on their respective institutions.

Oversight assumes any fiscal impact to community colleges would only relate to participation on the advisory council which would be minimal and could be absorbed with existing resources.

Officials from the **Department of Higher Education, Department of Economic Development - Division of Workplace Development, Office of the Governor, Missouri Senate, Department of Labor and Industrial Relations, Northwest Missouri State University, Missouri State University**, and the **University of Central Missouri** each assumed the proposal would not fiscally impact their respective agencies.

Officials from **Southeast Missouri State University** did not respond to a request for fiscal impact. The proposal relates to their participation on the advisory council and Oversight assumes any costs associated with such participation would be minimal.

ASSUMPTION (continued)

Section 1 - School Resource Officer Training

DESE states that, currently, school resource officers are hired by the school district or contracted through a local law enforcement agency. The impact on school districts would depend upon whether school districts choose to pay for the required training costs. DESE defers to local school districts regarding the extent of such impact.

In response to Perfected SB 211, officials from the **Boone County Sheriff's Department (BCSD)** assumed that unless grand-fathered by their years of experience and attendance at numerous prior SRO Conferences, BCSD will experience costs by having to send their four school resource officers to the 40 hour basic SRO training. These costs will include, at a minimum, tuition for the training. If the training is held outside of reasonable driving distance from Boone County, additional costs could include hotels and meals. Forty hours of training routinely costs \$600 to \$800 per person, not including meals/lodging. BCSD could then experience costs of up to \$3,200 in tuition costs. If meals and lodging are required, that figure could increase by another \$1,500.

Oversight assumes that the costs for training school resource officers would be borne by school districts, law enforcement agencies, or a combination of both. Oversight assumes costs could exceed \$100,000 for initial training and for training of new school resource officers.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
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LOCAL POLITICAL SUBDIVISIONS

<u>Costs - School Districts and/or Local Law Enforcement - School resource officer training (Section 1)</u>	(Unknown - Could exceed <u>\$100,000</u>)	(Unknown - Could exceed <u>\$100,000</u>)	(Unknown - Could exceed <u>\$100,000</u>)
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ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	(Unknown - Could exceed <u>\$100,000</u>)	(Unknown - Could exceed <u>\$100,000</u>)	(Unknown - Could exceed <u>\$100,000</u>)
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FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

House Amendment 1 - School Resource Officer Training (Section 1)

The Missouri state training center for the D.A.R.E. program shall develop the curriculum and certification requirements for school resource officers. At a minimum, school resource officers must complete forty hours of basic school resource officer training to include legal operation within an educational environment, intruder training and planning, juvenile law, and any other relevant topics relating to the job and functions of a school resource officer.

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
Department of Higher Education
Department of Health and Senior Services
Department of Insurance, Finance and Professional Registration
Joint Committee on Administrative Rules
Department of Economic Development
 Division of Workplace Development
Office of Secretary of State
 Administrative Rules Division
Missouri Ethics Commission
Department of Labor and Industrial Relations
Office of the Governor
Missouri Senate
School Districts
 Kansas City Public School District
 Special School District of St. Louis County
 Parkway
 Francis Howell
 Gasconade C-4
Charter School Sponsors
 University of Missouri System

SOURCES OF INFORMATION (continued)

Colleges and Universities

University of Central Missouri
Linn State Technical College
Missouri State University
Kansas City Metropolitan Community College
Northwest Missouri State University

Local Law Enforcement

Boone County Sheriff's Department

Not Responding:

**Office of the Lieutenant Governor
Normandy School District
Riverview Gardens School District
St. Louis Public School District
Southeast Missouri State University**



Ross Strope
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