

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3306-01
BILL NO.: HB 1599
SUBJECT: Education, Elementary and Secondary: Seniors Teaching Students
TYPE: Original
DATE: February 7, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	(\$19,832)	(UNKNOWN)	(UNKNOWN)
Total Estimated Net Effect on <u>All</u> State Funds	(\$19,832)	(UNKNOWN)*	(UNKNOWN)*

***Amount of grants to be awarded is unknown.**

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	(UNKNOWN)*	(UNKNOWN)*

***Amount of grant match is unknown.**

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from **Missouri Western State College, Central Missouri State University, Linn State Technical College** and **University of Missouri** assume the proposal would result in no fiscal impact to the institutions.

Officials from the **State Treasurer's Office, Department of Revenue, Missouri State Highway Patrol** and **Department of Insurance** assume the proposal would result in no fiscal impact to the agencies.

Officials from the **Secretary of State's Office (SOS)** assume the rules, regulations and forms issued by the Division of Aging could require as many as approximately 24 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 \$22.50. The estimated cost of a page in the Code of State Regulations is \$26.50. The actual costs could be more or less than the SOS's estimated cost of \$1,446 for FY 2001. 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of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.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 Labor and Industrial Relations (DOL)** state that unless other regulatory guidelines are established, the Department assumes the amount of the stipend and value of the accumulated tuition credits are reportable wages paid in exchange for services performed as required under the FUTA and Chapter 288. DOL officials state it does not appear the proposal would have a fiscal impact on the Department.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume the Division of Aging would administer the program and the grant award process. The amount that would be appropriated for grants is unknown. DESE officials assume some local public elementary schools would qualify to receive the matching grants. The amount of these impacts is unknown.

ASSUMPTION (continued)

DESE would support the effort by providing Missouri Assessment Program (MAP) data, and helping establish rules. The fiscal impact to DESE is anticipated to be less than \$100,000 in administrative costs. The **Oversight Division** assumes DESE could accomplish the provisions of the proposal with existing resources.

Officials from the **Coordinating Board For Higher Education (CBHE)** assume this program would be administered cooperatively by DESE and the Division of Family Services. Neither CBHE nor institutions of higher education are involved in administering this proposal. There could be a fiscal impact on institutions of higher education depending on the nature of the tuition credits mentioned in the bill. The Missouri Saving for Tuition Program (MOST) can only accept contributions in cash and can only grant withdrawals in cash.

The **Oversight Division** assumes volunteer costs would be paid by school districts from Division of Aging grants.

Officials from the **Department of Social Services - Division of Family Services** assume the proposal would result in no fiscal impact since the child abuse/neglect screenings would be done using existing staff and resources.

Officials from the **Department of Social Services - Division of Aging (DOS)** assume the total cost of the program is indeterminable as the bill does not specify the number or amount of grants to be issued by the Department. The Division has calculated a partial fiscal impact regarding the administration of the program. The Division would issue a request for proposal (RFP) and award grants to school districts who wish to participate in the volunteer program, working with the Department of Elementary and Secondary Education, the Division of Family Services and the Department of Health to determine schools with the greatest need for the program.

DOS officials state that it is a requirement of the Corporation for National Service (CNS) that any agency participating in their program provide direct supervision to each volunteer on a full-time basis and CNS requires at least one FTE to provide oversight to the program.

ASSUMPTION (continued)

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DOS officials assume one Aging Program Specialist I (\$34,992) would be needed in the central office to develop and implement the program, oversee completion of the RFP process and the subsequent awarding of grants, provide technical assistance to grantees for program implementation and maintenance, and perform on-site monitoring to assure compliance with applicable state and federal regulations. Dependent on the size of the grant program, it could require more than one staff to implement the program, provide technical assistance and perform on-site monitoring. FY 2001 costs are based on the three month period April 1 through June 30, 2001. FY 2002 and FY 2003 costs include a 3% inflation adjustment for expense and equipment costs and a 2.5% inflation adjustment for personal services.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
GENERAL REVENUE FUND			
<u>Cost-Department of Social Services-</u>			
<u>Division of Aging</u>			
Personal Services	(\$8,967)	(\$36,765)	(\$37,684)
Fringe Benefits	(\$2,757)	(\$11,305)	(\$11,588)
Expense and Equipment	(\$8,108)	(\$5,266)	(\$5,424)
Grants	\$0	(Unknown)	(Unknown)
Total <u>Cost-Department of Social Services</u>	<u>(\$19,832)</u>	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
SCHOOL DISTRICTS			
<u>Income-School Districts</u>			
Grants	\$0	Unknown	Unknown
<u>Cost-School Districts</u>			
Stipend or Tuition to Volunteers	\$0	(Unknown)	(Unknown)
Grant Match	\$0	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>\$0</u>	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>

FISCAL IMPACT - Small Business

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

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DESCRIPTION

The proposal would create the Seniors Teaching Students Program Act.

Beginning July 1, 2001, the Director of the Division of Aging would provide four-year matching grants to elementary schools to provide services involving older adults as volunteer tutors for children in grades kindergarten through fourth.

Volunteers could receive a stipend or tuition for hours of service not to exceed fifteen hours per week. A volunteer would designate service hours as tuition units, stipend or neither. Stipends would be allocated at a rate of \$2.50 per hour, and tuition credits would be allocated at a rate determined by the State Treasurer.

The Treasurer would coordinate the tuition credit with the Missouri Saving Tuition Program (MOST) and higher tuition trust account. Tuition credits could be used at any accredited college or university in the state. Volunteers could designate any individual as a recipient of tuition credits.

The Director of the Division of Aging would request the Corporation for National Service to provide tax relief for the stipend and tuition credits offered to volunteers.

Insurance coverage for accident, personal liability and additional automobile coverage necessitated by participation in the program would be provided to volunteers by the grantee or through the division.

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 Social Services

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Missouri State Highway Patrol
State Treasurer's Office
Secretary of State's Office
Department of Labor
Department of Insurance
Office of Administration - Budget and Planning
Department of Revenue
Coordinating Board For Higher Education
Central Missouri State University
Missouri Western State College
Linn State Technical College
University of Missouri



Jeanne Jarrett, CPA
Director
February 7, 2000