

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0443-01  
Bill No.: SB 118  
Subject: Teachers; Education, Elementary and Secondary; Boards, Commissions, Councils,  
Committees  
Type: Original  
Date: February 4, 2005

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<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 2006</b>	<b>FY 2007</b>	<b>FY 2008</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 LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Local Government</b>	<b>(\$50,000 to \$100,000)</b>	<b>(\$50,000 to \$100,000)</b>	<b>(\$50,000 to \$100,000)</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Office of State Courts Administrator** assume there will be no fiscal impact on the Courts.

Officials from the **Office of Secretary of State (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 2006. 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of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.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.

ASSUMPTION (continued)

Officials from the **Department of Elementary and Secondary Education (DESE)** stated there would be no fiscal impact on their agency. DESE assumes there would be 50 to 100 two day hearings per year at \$400 per hearing and expenses of \$100 per hearing, resulting in costs of \$50,000 to \$100,000 per year for school districts.

Officials from the **Saint Louis Public School District (STL)** stated the hearings will cost STL a minimum of \$400 per hearing plus hearing officer expenses. If the teacher is suspended with pay there could be additional salary costs to fill the position.

Officials from the **Parkway School District (Parkway)** assume this proposal would likely substantially increase legal fees for teacher termination proceedings. The current cost of a termination process in the Parkway district is estimated at \$40,000 to \$50,000 per case. Officials did state that Parkway rarely terminates tenured teachers.

Officials from the **Kansas City and Nixa School Districts** did not respond to our request for fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2006 (10 Mo.)	 FY 2007	 FY 2008
<b>SCHOOL DISTRICTS</b>			
<u>Cost</u> - Hearing officer expenses	(\$50,000 to \$100,000)	(\$50,000 to \$100,000)	(\$50,000 to \$100,000)
 <b>ESTIMATED NET EFFECT ON SCHOOL DISTRICTS</b>	 <u><b>(\$50,000 to \$100,000)</b></u>	 <u><b>(\$50,000 to \$100,000)</b></u>	 <u><b>(\$50,000 to \$100,000)</b></u>

FISCAL IMPACT - Small Business

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

## DESCRIPTION

Current law permits local school boards to dismiss tenured teachers for certain causes after following certain administrative procedures. This proposal would allow teachers to request an administrative hearing at which a hearing officer would decide whether or not the teacher will be dismissed.

The proposal requires school boards or superintendents to notify teachers at least 120 days before formal notice is served, instead of the current 30 days notice requirement. Under the provisions of this proposal, should a school board suspend a teacher until a decision is rendered, that teacher is entitled to receive salary and benefits during the suspension. Currently, teachers are only guaranteed salary. Presently, either the teacher or the local school board may request a hearing. This proposal permits only the teacher to request a hearing.

This proposal formulates a procedure for the selection of a hearing officer and directs the state board to promulgate rules for the hearings. The proposal specifies that the hearing will be open to the public unless the teacher requests that the hearing be closed.

Within 30 days after the hearing, the hearing officer must render a decision, which shall be final unless appealed.

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

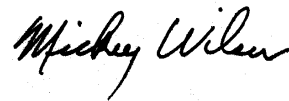
## SOURCES OF INFORMATION

Department of Elementary and Secondary Education  
Office of Secretary of State  
    Administrative Rules Division  
Office of State Courts Administrator  
School Districts:  
    Parkway  
    Saint Louis

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**NOT RESPONDING**

**School Districts**  
**Kansas City**  
**Nixa**

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial "M".

Mickey Wilson, CPA  
Director  
February 4, 2005