

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0867-01  
Bill No.: SB 344  
Subject: Education, Elementary and Secondary; Education, Higher; Elementary and Secondary Education Department; Economic Development Department; Boards, Commissions, Committees, Councils; Governor and Lt. Governor  
Type: Original  
Date: March 20, 2009

Bill Summary: Creates the P-20 Council to create a more efficient and effective education system

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
<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 2010	FY 2011	FY 2012
<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 2010</b>	<b>FY 2011</b>	<b>FY 2012</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 2010</b>	<b>FY 2011</b>	<b>FY 2012</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 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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## **FISCAL ANALYSIS**

### ASSUMPTION

Officials from the following agencies stated this proposal would have no fiscal impact on their respective agencies: **Office of Administration - Division of Purchasing and Materials Management** and the **Administrative Hearing Commission; Department of Economic Development; Office of the Governor; and Office of Lieutenant Governor.**

Officials from the **Office of State Auditor (SAO)** assume that expenditures by the SAO for the required audit would be offset by payment from the corporation as provided in §160.805.8.

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 proposal. The SOS 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 the SOS for Administrative Rules is less than \$2,500.

**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 Elementary and Secondary Education (DESE)** state that this proposal appears to replace the current council established in §160.730, RSMo with a new council consisting of the current members in addition to the chairperson of the Coordinating Board of Early Childhood and seven members appointed by the governor. The new council would have the same duties as the current council; however, this proposal would allow the Department of Economic Development, the Department of Elementary and Secondary Education, and the Department of Higher Education to contract with the council to carry out those duties. In addition, the contracts will not be bound by the provisions of Chapter 34, RSMo.

Depending upon the actions of the council and the resulting contracts entered into by the departments, this proposal could result in significant costs for duties that are currently being conducted by the current council.

Officials from the **Department of Higher Education (DHE)** state that DHE staff have been integrally involved in the P-20 Council since its creation. Currently, the P-20 director is a member of the DHE's senior staff. DHE staff have seen how difficult it is for the Council to be

ASSUMPTION (continued)

fully effective without staff and the significant advantages that staff would provide. As such, the DHE is requesting 1.5 FTE to assist with the performance of the P-20 Council's work. Both staff would be program specialists hired at the low end of the UPC range.

**Oversight** assumes the duties of the private not-for-profit corporation created with this proposal are the same as those in the section being repealed (§160.730) and that any expenses incurred by board members representing state agencies can be absorbed with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<u>\$0</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

The proposed legislation appears to have no fiscal impact.

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

Office of the Governor  
Office of the Lieutenant Governor  
Office of Administration  
    Division of Purchasing and Materials Management  
    Administrative Hearing Commission  
Department of Economic Development  
Department of Elementary and Secondary Education  
Department of Higher Education  
Office of State Auditor  
Office of Secretary of State  
    Administrative Rules Division



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Director  
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