

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5623-06  
Bill No.: SCS for SB 815  
Subject: Education, Elementary and Secondary; Elementary and Secondary Education Department; Boards, Commissions, Committees, Councils; General Assembly; Governor and Lieutenant Governor  
Type: Original  
Date: April 22, 2014

Bill Summary: This proposal modifies the duties of the State Board of Education and requires the board to promulgate rules regarding student data accessibility.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(Not expected to exceed \$100,000)	(Not expected to exceed \$100,000)	(Not expected to exceed \$100,000)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Not expected to exceed \$100,000)</b>	<b>(Not expected to exceed \$100,000)</b>	<b>(Not expected to exceed \$100,000)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<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 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>			

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</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 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Joint Committee on Administrative Rules (JCAR)** stated this proposed legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

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.

Officials from the **Office of the Governor**, the **Office of the Lieutenant Governor**, the **Missouri House of Representatives**, **Missouri Senate**, and the **Joint Committee on Education** each assume no additional impact.

### §160.514

Officials from the **Department of Elementary and Secondary Education (DESE)** assume this proposal will create unknown costs depending on the number of meetings and the number of participants. The makeup of those groups are yet to be determined. Should the group recommend significant changes that are adopted by the state board of education, then a potential exists for significant unknown costs to implement the new standards.

**Oversight** assumes meeting expenses would also be incurred by members of the Commission on Science Assessments created in §160.516.3. Oversight assumes costs for the work group meetings, public hearings, and commission expenses as outlined in the proposal should not

ASSUMPTION (continued)

exceed \$100,000 per year.

DESE notes that §160.514.6 allows local school districts and charter schools to adopt their own education standards provided the additional standards are in the public domain. DESE is unaware of standards that are not copyrighted. This will result in significant unknown costs.

**Oversight** assumes §160.514.5 is permissive, and for fiscal note purposes only, will assign no fiscal impact.

§161.855.2

DESE assumes the inability to use statewide pilot assessments for the 2014-15 school year for Title 1 federal accountability might put in jeopardy the waiver for NCLB. This would limit the local school districts ability to make determinations for Title 1 funds.

**Oversight** assumes the concern regarding the NCLB waiver is speculative and, for fiscal note purposes only, will assign no fiscal impact.

In response to the introduced version of this bill, officials from the **Fulton Public School District** assumed that, should the State Board be prevented from making curriculum material suggestions as outlined in §160.516.1, an additional staff member may be required to research and lead the materials vetting process. Compensation for an additional person plus extra duty stipends for teachers might be the neighborhood of \$90,000- \$110,000 annually.

**Oversight** assumes districts could continue to use existing curriculum materials and would update them as needed. Oversight assumes the process to update curriculum materials could be done with existing resources.

Officials from the following school districts: Blue Springs, Branson, Caruthersville, Charleston R-I, Cole R-I, Columbia, Fair Grove, Francis Howell, Harrison R-IX, Independence, Jefferson City, Johnson County R-7, Kansas City, Kirksville, Kirbyville R-V, Lee's Summit, Malden R-I, Malta Bend, Mexico, Monroe City R-I, Nixa, Parkway, Pattonville, Raymore-Peculiar R-III, Raytown, Riverview Gardens, Sedalia, Sikeston, Silex, Special School District of St. Louis County, Spickard R-II, Springfield, St Joseph, St Louis, St. Charles, Sullivan, Warren County R-III, and Waynesville did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016 (10 Mo.)	FY 2017 (10 Mo.)
<b>GENERAL REVENUE</b>			
<u>Costs</u> - Department of Elementary and Secondary Education - Work group, hearing, and commission expenses (§§160.514 & 160.516.3)	(Not expected to exceed <u>\$100,000</u> )	(Not expected to exceed <u>\$100,000</u> )	(Not expected to exceed <u>\$100,000</u> )
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(Not expected to exceed \$100,000)</u></b>	<b><u>(Not expected to exceed \$100,000)</u></b>	<b><u>(Not expected to exceed \$100,000)</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016 (10 Mo.)	FY 2017 (10 Mo.)
	<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

SCS/SB 815 - This act modifies the duties of the State Board of Education.

§160.514

The State Board of Education must convene work groups composed of education professionals whenever it develops, evaluates, modifies, or revises either academic performance standards or learning standards.

The State Board must hold at least three public hearings whenever it develops, evaluates, modifies, or revises either academic performance standards or learning standards, as described in the bill.

FISCAL DESCRIPTION (continued)

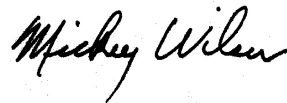
§160.516.3

This section establishes the "Commission on Science Assessments." The Commission is responsible for adopting assessments in the area of science that will be incorporated into the statewide assessment system.

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 the Governor  
Office of Secretary of State  
    Administrative Rules Division  
Office of the Lieutenant Governor  
Joint Committee on Education  
Joint Committee on Administrative Rules  
Missouri House of Representatives  
Missouri Senate  
School Districts  
    Fulton



Mickey Wilson, CPA  
Director  
April 22, 2014

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April 22, 2014