

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4342-05
Bill No.: CCS#2 for SCS for SB 650
Subject: Education, Elementary and Secondary; Education, Higher
Type: Original
Date: May 12, 2016

Bill Summary: This proposal modifies provisions relating to education.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2017	FY 2018	FY 2019	Fully Implemented (FY 2020)
General Revenue	(Could exceed \$60,000)	(Could exceed \$2,756,128)	(Could exceed \$12,698,347)	(Could exceed \$11,000,692)
Total Estimated Net Effect on General Revenue	(Could exceed \$60,000)	(Could exceed \$2,756,128)	(Could exceed \$12,698,347)	(Could exceed \$11,000,692)

***Oversight notes that DESE and the Office of Administration's Division of Budget and Planning were not able to provide Oversight with a projection of when the foundation formula may be fully funded. This proposal has a provision (\$163.031) that may not have a fiscal impact until such time as the formula is fully funded. Oversight, for fiscal note purposes, is showing the impact of that provision.**

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2017	FY 2018	FY 2019	Fully Implemented (FY 2020)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 18 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2017	FY 2018	FY 2019	Fully Implemented (FY 2020)
Federal Funds	\$0	\$0	\$0	\$0
Total Estimated Net Effect on All Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2017	FY 2018	FY 2019	Fully Implemented (FY 2020)
Total Estimated Net Effect on FTE	0	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2017	FY 2018	FY 2019	Fully Implemented (FY 2020)
Local Government	(Unknown, \$100,000 per district that needs a Braille instructor)	(Unknown, \$100,000 per district that needs a Braille instructor)	(Unknown, greater than \$405,160)	(Unknown, greater than \$277,732)

FISCAL ANALYSIS

ASSUMPTION

§160.011, §160.041, §171.031 and §171.033 Required School Attendance

Oversight notes this would require the school year to consist of 1,044 hours of instruction with no minimum number of days of school. Oversight notes this would not impact the foundation formula as it currently pays for the hours of instruction and not the days attended.

§160.545.7(1) A+ Program

Oversight notes this proposal specifies that students may receive A+ tuition reimbursement even when they did not immediately attend an A+ designated high school. The A+ program provides tuition reimbursement to eligible graduates of designated high schools to attend public community colleges, public vocational or technical schools, or private two-year vocational or technical schools. There are 533 designated high schools.

Table 1 - Students receiving A+

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected
Number of Students Paid	12,090	12,853	13,142	14,000	14,500	15,000
Number of Schools Designated	520	533	533	533	533	533
Total Expenditures	\$28,840,018	\$32,248,624	\$33,564,300	\$37,000,000	N/A	N/A

Source: Department of Higher Education

N/A not available

Officials at the **Department of Higher Education (DHE)** assume unfortunately, there is no way to determine what the fiscal impact of this legislation will be. Section 160.545.7(1) changes who is eligible to receive an A+ award by removing the word "immediately" from the requirement that students attend "a public high school in the state for at least three years immediately prior to graduation". DHE's interpretation is that students could attend any combination of three years (such as 9, 10, 11; 9, 10, 12; 9, 11, 12; or 10, 11, 12) at an A+ designated high school and be eligible for A+ scholarships, as long as they meet all other eligibility requirements.

ASSUMPTION (continued)

The average A+ award for the 2014-2015 academic year was \$2,533 per student, and the students affected are those who participate in an internship, a foreign exchange program, or who otherwise do not attend an A+ designated high school during either their sophomore, junior, or senior year.

Neither DHE or the Department of Elementary and Secondary Education (DESE) collect data concerning the number of students that forfeit their A+ eligibility because they do not attend an A+ designated high school for the three years immediately prior to graduation.

Oversight contacted several of the larger school districts in the state and found that the schools do not offer any internships or foreign exchange programs that would allow students to sit out a year of high school. The schools responded they do not track how many students are rejected from the A+ program for failure to maintain the required attendance.

Oversight notes that if just 10 additional students were added to the program due to the attendance requirement changes the impact could be \$25,330 (\$2,533 average award amount x 10 new students). Oversight will show the impact as Unknown.

§160.545.3 A+ Expanded to Private School Students

Officials at the **DHE** assume census data for Missouri shows that 1,099,136 students from ages 5 to 18 live within the state. Students enrolled in public schools in Missouri for this same age range of 5 to 18 is 887,368. This leaves 211,766 students that are either attending private schools or are home schooled. Assuming the students are spread evenly across all age groups, that would mean 16,290 students are seniors and could potentially be eligible for the A+ scholarship.

Based on the DHE experience with administration of the A+ scholarship program, it is assumed that, once fully implemented, approximately half of the graduating class would be eligible to participate in the A+ program. Of those that are eligible, it is assumed approximately one-third would actually receive a payment under the program. Cost estimates are based on the average award during the 2014-2015 academic year of \$2,533 per student. The average award is then inflated by five percent annually to reflect projected tuition and fee increases during the intervening years.

Because this legislation would not be enacted until after the end of the current academic year, it is assumed no students in either the undesignated public or the private high schools would be able to gain eligibility for the program during the first year of the estimate (FY 2017). In FY 2018, it is assumed only one-quarter of the graduating class would be eligible and that one third

ASSUMPTION (continued)

of those would receive a payment. The inflated average award would be \$2,932 for FY 2018. The cost to add non-public graduates to the A+ program would be \$3,940,608 ($16,290 * 0.25 = 4,072.5 * 0.33 = 1,344 * \$2,932$).

DHE assumes the program would be fully functional by FY 2019. The inflated average A+ award would be \$3,079. This would result in a total cost of \$8,273,273 for FY 2019 ($16,290 * 0.5 = 8,145 * 0.33 = 2,687 * \$3,079$).

§161.1005 Dyslexia Specialist

Oversight notes this portion of the proposal requires DESE to employ a dyslexia specialist by July 1, 2017. The specialist would help create professional development programs for DESE.

Oversight notes that DESE has already hired a dyslexia specialist using their current appropriation and therefore, Oversight will not show the need for the FTE.

Officials at the **DESE** assume this portion of the proposal would require costs to develop dyslexia programs for schools will cost approximately \$25,000. Implementing professional development for school will cost approximately \$5,000. This \$30,000 cost would be one-time costs.

§162.720 and §163.031 Gifted Education

Officials at the **DESE** assume that based on the most recent complete data, school districts that have a gifted program would have a penalty of \$1,214,480 for not maintaining at least 80% of their gifted enrollment for the previous year. This would result in a loss to the local school districts that had the penalty levied against them. These penalties would be redistributed to all other school districts.

Oversight notes that DESE and the Office of Administration's Division of Budget and Planning were not able to provide Oversight with a projection of when the foundation formula may be fully funded. This proposal contains a provision that will require DESE to levy penalties against school districts that do not maintain their gifted programs. Since the foundation formula is not fully funded, the penalty money may be redistributed to other school districts. Oversight, for the purpose of the fiscal note only, is showing the impact to the State as if the foundation formula were fully funded.

Oversight notes this proposal would exempt from this gifted penalty any school with less than 350 enrolled students.

ASSUMPTION (continued)

§167.225 Instruction in Braille

Officials at the **DESE** assume there does not appear to be a state fiscal impact. Local school districts will likely incur significant costs. DESE estimates the salary for a Braille instructor at \$60,000 plus \$34,200 [57% (school district benefit percentage)] for a total of \$94,200.

Officials at the **Administrative Hearing Commission** assume there is no fiscal impact from this proposal.

Oversight notes there are 518 school districts in the state that may be impacted by this proposal. DESE was unable to provide Oversight with the number of Braille instructors currently working in the school districts. However, they were able to say that in the 2014 school year 43 school districts provided a course for visual instruction. Oversight will show the impact of this proposal as Unknown, \$100,000 per district that needs a Braille instructor.

§167.950 Dyslexia Screening and Treatment

Oversight notes this proposal would require the Department of Elementary and Secondary Education (DESE) to develop guidelines for the screening of students for dyslexia and related disorders. Oversight assumes that DESE can create the guidelines using their existing resources.

Oversight notes this proposal requires each school district, during the 2018-2019 (FY 2019) school year, to screen each student for dyslexia and related disorders at an appropriate time established by DESE. Additionally, each school district must provide for reasonable support for any student determined to have dyslexia or a related disorder.

Oversight notes that according to the Yale Center for Dyslexia and Creativity, the Dyslexia Research Institute, and DyslexiaHelp at the University of Michigan approximately 20% of people have dyslexia or a related disorder. DESE notes there are 617,727 kids in grades K-8 and 268,696 kids in grades 9-12 or 886,423 in Missouri public schools. Therefore, as many as 177,285 (886,423 X 20%) could have dyslexia or a related disorder and would need support by the school districts.

Officials at the **DESE** assume the extent of any costs will depend upon the number of children requiring treatment. We assume school districts will incur costs; however, we defer to them regarding the extent of such costs.

In response similar legislation filed this year, HB 2379, officials at the **Office of the State Courts Administrator** assumed there was no fiscal impact from this proposal.

ASSUMPTION (continued)

Oversight notes that unless a school district already has a Dyslexia Specialist on staff that could do the testing and treatment a school district would need to purchase the Dyslexia Screening Instrument for \$123 and additional Teacher Rating Forms (\$28.50 for 25 forms). Oversight, for fiscal note purposes, will show a one-time impact to schools for purchase of the Dyslexia Screening Instrument of \$63,714 (\$123 x 518 school districts). Oversight notes due to the size of school districts, most would need to purchase more than one Dyslexia Screening Instrument. Oversight will show the impact as Unknown greater than two Dyslexia Screening Instruments per district \$127,428 (\$123 x 2 X 518).

Oversight notes that one Teacher Rating Form will need to be completed per student annually. Oversight assumes it will cost \$1,010,525 (886,423 students/25 forms in a pack x \$28.50 per pack) for the Teacher Rating Forms in FY 2019. After the initial screening of all existing students only new students would need screening. Therefore only 68,186 (886,423/13) would need to be screened annually. The Teacher Ratings Forms expenses for future fiscal years would be \$77,732 (68,186/25 x \$28.50).

Oversight notes that this proposal requires school districts to provide support to any student determined to have dyslexia or related disorders. Due to the numerous types of dyslexia and the severity at which a person may have it, it is impossible to determine at this time what kind of support school districts would be required to provide. Oversight will show the impact to schools as Unknown over \$100,000 for the support.

Oversight notes the screening would determine which students would need additional testing to identify if they have one of the types of dyslexia and the appropriate treatment. Oversight assumes that the school districts would notify parents of the findings and parents would be responsible for any additional testing. Oversight will not show a fiscal impact from notifying parents as the school districts could chose which method of notification is best.

Officials from the **Department of Social Services (DSS)** stated Section 167.950.1 states that by December 31, 2017, DESE shall develop guidelines for appropriate screening for dyslexia and related disorders and the necessary classroom support for students with dyslexia and related disorders. For the 2018-2019 school year and subsequent years, each public school shall conduct dyslexia screenings for students. The school board of each district and the governing board of each charter school shall provide reasonable support for any student determined to have dyslexia or a related disorder. Subsection 2 states practicing teacher assistance programs shall include two hours of in-service training provided by each local school district for all practicing teachers in such district regarding dyslexia and related disorders.

ASSUMPTION (continued)

Subsection 3 defines terminology. Subsection 4 states the state board of education shall promulgate rules and regulations for each public school to screen students for dyslexia and related disorders. Subsection 5 states nothing in this section shall require MHD to expand services it provides.

In October of 2015, there were 414,016 children ages 5-18 receiving MO HealthNet benefits. Out of those children, there were 6,130 with an IEP. The MO HealthNet Division (MHD) assumes that every child will need to be screened the first year. The total number of screenings the first year is 407,886 (414,016 – 6,130). MHD assumes each public school will bear the cost for each screening. Per the Michigan Dyslexia Institute, Inc., the prevalence of dyslexia is estimated to range from five to 17 percent among school children. Therefore, MHD estimates that 20,395 (407,886 * 5%) children will require testing. MO HealthNet reimburses up to four hours of annual psychological testing per child; DESE also estimates a full diagnostic assessment to last about 4 hours. While MO HealthNet authorizes reimbursement for psychologists (\$60/hr.) and psychiatrists (\$66/hr.) for this testing, MHD assumes psychologists would provide 90% of the testing with psychiatrists providing only 10% of the testing service. The one-time cost to test these children is estimated at \$4,943,748 (20,395 * \$60.60 * 4 hrs.). MHD acknowledges that the most frequently utilized intervention for a child with dyslexia would be educational supports which cannot be reimbursed by MO HealthNet. However, MHD estimates 6,798 children testing positive for dyslexia (20,395 * 1/3) will require additional supports such as speech therapy. MHD reimburses speech therapists at \$40/hr. MHD estimates it will cost \$1,520 for annual speech therapy (\$40/hour for 1 hour per week for 38 weeks). The total annual cost for treatment is \$10,333,467 (6,798 * \$1,520). The total estimated cost for SFY 19 is \$15,277,215 (\$4,943,748 one-time costs + \$10,333,467 treatment costs).

It is assumed that for the following years that only children in kindergarten will need to be screened because the children in the other grades have already been screened. To calculate the number of children who will receive screenings the following years, an average was calculated per grade. The average number of children per grade is 31,848 (414,016 / 13). The same methodology was used to calculate the number of children with an IEP. The average number of children with an IEP is 472 (6,130 / 13). The total number of screenings is 31,376 (31,848 – 472) for FY 20. MHD estimates that 1,569 (31,376 * 5%) children will require testing. The cost to test these new children will be \$380,326 (1,569 * \$60.60 * 4 hrs.). The total cost for SFY 20 is \$10,713,792 (\$380,326 one-time costs + \$10,333,467 in annual treatment).

Oversight notes, based on discussions with DSS officials, that while children are only "screened" on time, annual treatment (i.e. speech therapy) is not limited to one time. DSS assumes that once it is determined that treatment is needed, the number of children receiving treatment for 28 weeks

ASSUMPTION (continued)

each year will remain the same (approximately 6,800 children annually).

DSS officials provide that the proposed legislation states that the rules are to be promulgated by the state board of education. How the rules are written will determine if the services will be included in the IEP and therefore, the amount of federal match. If services are not written in the IEP, MHD could receive claims from community providers offering psychiatric testing, speech therapy, and/or behavioral health based on the results of the school district screening. For services written into the IEP, school districts are required to cover the state share while MHD can reimburse for the federal share. If services are not billed through the IEP and are provided outside of the school, MHD could be billed for the full cost (state and fed). Therefore, the GR impact has been stated as a range.

Year	GR	Federal	Total
FY 2019	\$0 to \$5,617,737	\$9,659,477	\$9,659,477 to \$15,277,215
FY 2020	\$0 to \$3,939,676	\$6,774,117	\$6,774,117 to \$10,713,792

DYS: The Division of Youth Services (DYS) is a local education agency (LEA) that operates accredited schools at each of its sites. Enactment of this bill may create costs for the division, depending on rules promulgated by the state board of education. DYS largely deals with youth 13-17 years of age. It is not likely that promulgated rules and regulation would require screenings for dyslexia to occur this late in a young person's education. In the case that rules did require DYS to screen students, DYS would need screening kits for each of its educational groups.

Screening Costs – provided by existing DYS education personnel
One Time Costs

- DYS operates 78 educational groups statewide
- 1 Dyslexia Screening Instrument (DSI) Complete Kit through Pearson PsychCorps = \$123
- \$123 x 78 groups = \$9,594

Temporary On-Going Costs

- Additional DSI Teacher Rating Forms (package of 25) = \$28.50/pkg
- \$28.50 x 78 groups = \$2,223 annually

Because the rules and regulation surrounding the "appropriate times" for screening remain undefined the range of fiscal impact to DYS is \$0 to \$9,594.

ASSUMPTION (continued)

DYS has special education resources in place to provide instruction and accommodation to youth in care with learning disabilities. The division currently provides service to 33 youth with reading-related learning disabilities. Categories include Reading Fluency, Reading Comprehension and Basic Reading Skills. DYS also provides several trainings for education staff annually. DYS may choose to focus training efforts on screening/testing/instruction and accommodation of dyslexia and related disorders. These related training costs can be absorbed in the existing budget.

In response to similar provisions in HCS for HB 2379, officials from the **Office of the State Courts Administrator** assumed the proposal would not fiscally impact their agency.

In response to similar legislation filed this year, HB 2379, officials at the **Chilhowee School District** assumed this would cost the services of a qualified professional. Estimated to be \$50 - \$100 per student.

In response to similar legislation filed this year, HB 2379, officials at the **East Newton School District** assumed \$6,000 annually.

Officials at the **Everton School District** assume this could cost \$50,000 for personnel, training and supplies.

In response to similar legislation filed this year, HB 2379, officials at the **Fair Play School District** assumed this would cost \$20,000.

In response to similar legislation filed this year, HB 2379, officials at the **Forsyth R-III School District** assumed the cost of training staff and the cost of testing would be \$5,000 annually.

Officials at the **Kansas City Public Schools (KCPS)** assume it is difficult to estimate the impact prior to DESE promulgating the rules. KCPS believes this may have an impact greater than \$100,000 to the district.

In response to similar legislation filed this year, HB 2379, officials at the **Macon County R-IV School District** assumed this would have a potentially expensive impact on the district however, the impact is unknown. The District would need to contract for the testing of the students. Based on the needs of the students and type of treatment would determine the impact.

In response to similar legislation filed this year, HB 2379, officials at the **Pettis County R-XII School District** assumed a cost of \$50,000.

ASSUMPTION (continued)

In response to similar legislation filed this year, HB 2379, officials at the **Seymour R-II School District** assumed \$3,500 for annual training costs.

In response to similar legislation filed this year, HB 2379, officials at the **St. Elizabeth School District** assumed \$250 for professional development and \$400 for screening materials.

In response to similar legislation filed this year, HB 2379, officials at the **Webster Groves School District** assumed the professional development cost would be \$6,000 for training. Additionally they would need a reading specialist to perform assessments at \$70,000 annually.

In response to similar legislation filed this year, HB 2379, officials at the **West Plains School District** assumed an estimated \$15,000 to \$30,000 annually depending on the support needed.

In response to similar legislation filed this year, HB 2379, officials at the **Wright City R-II School District** assumed the cost is unknown but will be the cost of the tests.

Officials at the **Special School District of St. Louis** assume costs of \$49,949,648 annually for screenings and treatment of students in St. Louis County. They assume estimated treatment costs:

2015 St Louis county K-12 enrollment	139,159
estimated 20% students with dyslexia characteristics	<u>0.20</u>
# of students	27,832
Assume group size of 7	<u>7</u>
# of groups	3,976
Assume 7 groups a day	<u>7</u>
FTE needed to provide Tier II Interventions	568
Average SSD Teacher salary w/ benefits	<u>69,094</u>
Estimated cost to fund the instructional costs	\$39,245,110

Additionally they assume estimated screening costs:

2015 St Louis county K-12 enrollment	139,159
divide by 13 grade	<u>13</u>
# of students in each grade	10,705
# of tests each year (1 before K and 1 before 3rd)	<u>2</u>
# of students to be tested each year	21,409
Estimated cost of test	<u>\$500</u>
Estimated cost of tests each year	\$10,704,538.46

ASSUMPTION (continued)

Estimated cost to SSD \$49,949,648.45

§170.310 CPR Requirement for Graduation

Oversight notes this proposal requires high school students to receive thirty minutes of instruction in cardiopulmonary resuscitation in order to graduate. This proposal starts with the 2017-2018 (FY 2018) school year. Currently school districts have the option of providing this instruction. Oversight can not determine how many schools may currently teach this class.

Oversight assumes school districts per this proposal, would include this instruction in their required health or physical education courses. Oversight assumes that since it is only thirty minutes of instruction it can be added to the existing health and physical education classes. Therefore, Oversight will not show an impact from this proposal.

Officials at the **DESE** assume there was no fiscal impact from this proposal. School districts may be impacted by the proposal. DESE defers to the school districts for impact.

§633.420 Legislative Task Force on Dyslexia

Oversight notes this proposal creates the Legislative Task Force on Dyslexia. The task force shall make recommendations on matters concerning dyslexia and education. The task force shall terminate on August 31, 2018. Oversight will show partial costs in FY 2019 as the Task Force wraps up its work.

In response to similar legislation filed this year, HB 1928, officials at the **DESE** assumed the cost estimate of the task force expenses is approximately \$5,000. Cost estimate for the task force contract is approximately \$25,000.

In response to similar legislation filed this year, HB 1928, officials at the **Missouri House of Representatives** assumed the House can absorb the expense of two House members serving on the task force.

Officials at the **Missouri Senate** assume no fiscal impact beyond existing appropriations.

Bill as a Whole

Officials at the **Malta Bend School District** assume there is no fiscal impact from this proposal.

<u>FISCAL IMPACT -</u> <u>State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019	Fully Implemented (FY 2020)
GENERAL REVENUE				
<u>Savings</u> - DESE - penalties levied against schools not maintaining their gifted programs §163.031	\$0	\$1,214,480	\$1,214,480	\$1,214,480
<u>Cost</u> - DHE - additional students eligible for A+ program §160.545.7(1)	(Unknown)	(Unknown)	(Unknown)	(Unknown)
<u>Cost</u> - DHE - Private Students Expansion of the A+ Scholarships §160.545.3	\$0	(\$3,940,608)	(\$8,273,273)	(Could exceed \$8,273,273)
<u>Cost</u> - DESE- dyslexia professional development expense §161.1005	(\$30,000)	\$0	\$0	\$0
<u>Cost</u> - DSS, DYS Services (§167.950)				
Purchase of screening instrument	\$0	\$0	(\$9,594)	\$0
Additional teacher rating forms	<u>\$0</u>	<u>\$0</u>	<u>(\$2,223)</u>	<u>(\$2,223)</u>
<u>Total Costs</u> - DSS, DYS	<u>\$0</u>	<u>\$0</u>	<u>(\$11,817)</u>	<u>(\$2,223)</u>

<u>FISCAL IMPACT -</u> <u>State Government</u> (continued)	<u>FY 2017</u> <u>(10 Mo.)</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Fully</u> <u>Implemented</u> <u>(FY 2020)</u>
GENERAL REVENUE (continued)				
<u>Cost - DSS, MHD</u> (§167.950) Testing and treatment of the kids on Medicaid	\$0	\$0	(\$0 to \$5,617,737)	(\$0 to \$3,939,676)
<u>Cost - DESE -</u> Dyslexia Task Force Expenses and Contract §633.420	<u>(\$30,000)</u>	<u>(\$30,000)</u>	<u>(\$10,000)</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	(Could exceed <u>\$60,000</u>)	(Could exceed <u>\$2,756,128</u>)	(Could exceed <u>\$12,698,347</u>)	(Could exceed <u>\$11,000,692</u>)
FEDERAL FUNDS				
<u>Revenue - DSS,</u> MHD (§167.950) Increase in program reimbursements	\$0	\$0	\$0 to \$9,659,477	\$0 to \$6,774,117
<u>Costs - DSS, MHD</u> (§167.950) Testing and treatment of the kids on Medicaid	<u>\$0</u>	<u>\$0</u>	<u>(\$0 to \$9,659,477)</u>	<u>(\$0 to \$6,774,117)</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

***Oversight** notes that DESE and the Office of Administration's Division of Budget and Planning were not able to provide Oversight with a projection of when the foundation formula may be fully funded. This proposal has a provision (§163.031) that may not have a fiscal impact until such time as the formula is fully funded. Oversight, for fiscal note purposes, is showing the impact of that provision.

<u>FISCAL IMPACT -</u> <u>Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019	Fully Implemented (FY 2020)
LOCAL SCHOOL DISTRICT FUNDS				
<u>Cost - School Districts-</u>				
Purchase of Screening Instrument	\$0	\$0	(Unknown greater than \$127,428)	\$0
Teacher Ratings Forms	\$0	\$0	(Unknown greater than \$77,732)	(Unknown greater than \$77,732)
Treatment	\$0	\$0	(Unknown over \$100,000)	(Unknown over \$100,000)
<u>Cost - School Districts - hiring a Braille instructor \$167.225</u>	(Unknown, \$100,000 per district that needs a Braille instructor)	(Unknown, \$100,000 per district that needs a Braille instructor)	(Unknown, \$100,000 per district that needs a Braille instructor)	(Unknown, \$100,000 per district that needs a Braille instructor)
ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICT FUNDS	<u>(Unknown, \$100,000 per district that needs a Braille instructor)</u>	<u>(Unknown, \$100,000 per district that needs a Braille instructor)</u>	<u>(Unknown, greater than \$405,160)</u>	<u>(Unknown, greater than 277,732)</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This act modifies the A+ Schools Program by removing the requirement that the student's attendance of a public high school in the state be the three years immediately prior to graduation. (§160.545.7(1))

This bill allows a qualifying student of a nonpublic school to be eligible for reimbursement of post secondary education through the A+ program, as specified in the bill. (§160.545.3)

This proposal creates the "Legislative Task Force on Dyslexia" and requires the Department of Elementary and Secondary Education to employ a dyslexia specialist and develop professional development programs for school staff. (§161.1005 and §633.420)

This bill modifies provisions relating to gifted education. The bill prohibits school districts from determining whether a child is gifted based on the child's participation in an advanced placement course or international baccalaureate course. Whether a child is gifted must be determined using the statutory definition of "gifted children" (§162.720).

Beginning in the 2017-2018 school year, a school district will incur a reduction in funding if it experiences a decrease in its gifted program enrollment of more than 20%. If a school district experiences a decrease of 20% or more in its gifted program enrollment, an amount equal to the product of the difference between the number of students enrolled in the gifted program in the current school year and the number of students enrolled in the previous school year multiplied by \$680 must be subtracted from the school district's current year payment amount (§163.031).

Currently, state law permits students to receive instruction in Braille as part of their individualized education plans (IEPs). This bill requires a student to receive instruction in Braille reading and writing as part of his or her IEP unless, as a result of an assessment, instruction in Braille or the use of Braille is determined not appropriate for the child. This bill defines "assessment" as the National Reading Media Assessment or another research-based assessment or series of research-based assessments under the Individuals with Disabilities Education Act that determines a child's learning media skills. (§167.225)

This legislation requires DESE to develop guidelines for the appropriate screening of students for dyslexia and requires districts to provide screening and classroom support for students with dyslexia. (§167.950)

This act also creates the Legislative Task Force on Dyslexia. The Task Force will advise and make recommendations to the Governor, General Assembly, and relevant state agencies. The

FISCAL DESCRIPTION (continued)

Task Force will consist of seventeen members, as described in the act. Except for four legislative members and the Commissioner of Education, the members will be appointed by the President Pro Tempore of the Senate and the Speaker of the House of Representatives. The task force will make recommendations for a statewide system for identification, intervention, and delivery of supports for students with dyslexia, as described in the act.

The Task Force will hire or contract for hire specialist services to support the work of the Task Force as necessary with appropriations or from other available funding. The Task Force will terminate on August 31, 2018, unless reauthorized. (§633.420)

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

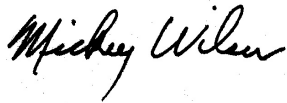
SOURCES OF INFORMATION

Administrative Hearing Commission
Chilhowee School District
Department of Elementary and Secondary Education
Department of Higher Education
Department of Social Services
 Division of Youth Services
 MoHealthNet Division
East Newton School District
Everton School District
Fair Play School District
Forsyth R-III School District
Kansas City Public Schools
Macon County R-IV School District
Malta Bend School District
Missouri House of Representatives
Missouri Senate
Office of the State Courts Administrator
Pettis County R-XII School District
Seymour R-II School District
Special School District of St. Louis
St. Elizabeth School District
Webster Groves School District
West Plains School District

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SOURCES OF INFORMATION (continued)

Wright City R-II School District



Mickey Wilson, CPA
Director
May 12, 2016

Ross Strobe
Assistant Director
May 12, 2016