

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4496-05  
Bill No.: CCS for HCS for SB 743  
Subject: Bonds - Surety; Buses; Elementary and Secondary Education; Department of Elementary and Secondary Education; Liability; Taxation and Revenue - General; Taxation and Revenue - Property  
Type: Original  
Date: May 14, 2018

Bill Summary: This proposal modifies provisions relating to elementary and secondary education.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	<b>(Could exceed \$68,888)</b>	<b>(Could exceed \$87,267)</b>	<b>(Could exceed \$88,003)</b>
<b>Total Estimated Net Effect on General Revenue</b>	<b>(Could exceed \$68,888)</b>	<b>(Could exceed \$87,267)</b>	<b>(Could exceed \$88,003)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
State Schools Money Fund*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Revenue and expenditures net to zero.

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 20 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</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 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total Estimated Net Effect on FTE</b>			

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Local Government</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

**Oversight** was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information or on information regarding a previous version of the proposal. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

#### §160.011, §160.041, §163.021, §163.073, §171.031 & §171.033 Pupil Attendance

In response to a similar proposal, SS HCS HB 1606 (LR 5095-06), officials from the **Department of Elementary and Secondary Education (DESE)** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal, SS HCS HB 1606 (LR 5095-06), officials from the **Department of Social Services** and **Office of the State Courts Administrator** each assumed the proposal will have no fiscal impact on their respective organizations.

In response to a similar proposal, HB 1573 (LR 4116-02), officials from the **Kirksville R-III School District, Northeast Nodaway R-5 School District, Summersville R2 School District** and **West Plains School District** each assumed this proposal would have no fiscal impact on their respective organizations.

**Oversight** notes this proposal would require 1,044 hours of actual pupil attendance with no minimum number of school days required. Since the state adequacy target payments are currently based on hours of attendance, this would not have a fiscal impact on the school districts.

#### §160.410 Charter School Admissions for High Risk Students

**Oversight** assumes this provision allows charter schools to give a preference for admission to high-risk students.

#### §160.572 ACT WorkKeys

In response to a similar proposal, SS HCS HB 1606 (LR 5095-06), officials from the **DESE** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal, HB 1677 (LR 4051-01), officials from the **West Plains School District, Kirksville R-III School District** and the **Summersville R2 School District** each assumed the proposal would have no fiscal impact on their organizations.

ASSUMPTION (continued)

**Oversight** notes that on January 14, 2014, the state board of education approved the administration of the ACT Plus Writing assessment to all grade 11 students. This proposal would allow students to take the ACT WorkKeys assessment instead of the ACT Plus Writing assessment.

**Oversight** notes this proposal in §160.572.2 requires DESE to allow students to participate in the state-funded administration of the ACT WorkKeys assessment. Oversight notes that DESE currently pays for the state administered ACT Plus Writing Assessment and would be required to pay for the ACT WorkKeys Assessment. Oversight assumes this substitute of assessments would not incur additional expenses for the state.

**Oversight** notes this proposal in §160.572.3 requires school districts, when directing an administration of a district-funded ACT assessment, to allow students to participate in a district-funded administration of the ACT WorkKeys assessment. Oversight assumes this substitute of assessments would not result in additional expenses for the school districts.

§161.026 & §161.072 Teacher Representative

In response to a similar proposal, SB 695 (LR 4709-01), officials at the **DESE** noted the state board of education consists of eight members. This proposal would result in a nine-member state board of education.

The following chart shows total expenditures for the eight members of the board.

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Board Expenditures	\$76,936	\$70,173	\$73,952	\$70,302	\$71,976
# of Board Members	8	8	8	8	8
Expenditure Per Member	\$9,617	\$8,772	\$9,244	\$8,788	\$8,997

Five year average total \$45,417  
 Number of years 5  
 Average per year \$9,083

An average of five years yields an expenditure per board member of \$9,083. If the department assumes increased expenses of 3% per year the impact to the department would be \$9,083 in FY 2019, \$9,356 in FY 2020 and \$9,637 in FY 2021.

ASSUMPTION (continued)

**Oversight** will show the costs of the extra board member in the fiscal note.

In response to a similar proposal, SB 695 (LR 4709-01), officials from the **Office of the Governor** assumed section 161.026 requires the Governor to appoint a teacher representative to the State Board of Education. There should be no added cost to the Governor's Office as a result of this measure. However, if additional duties are placed on the office related to appointments in other TAFP legislation, there may be the need for additional staff resources in future years.

In response to a similar proposal, SB 695 (LR 4709-01), officials from the **Missouri Senate** anticipated no fiscal impact.

§161.106 Career & Technical Organizations

In response to a similar proposal, HB 1340 (LR 4403-01), officials from the **DESE** assumed the proposal would have no fiscal impact on their organization.

**Oversight** assumes this proposal specifies that the DESE is to handle funds from career and technical student organizations. Oversight assumes this is currently being done by DESE and will not show a fiscal impact.

§161.217 Early Learning Quality Assurance Report

In response to a similar proposal, Perfected HB 1420 (LR 421-01), officials from the **DESE** assumed the following expenses would occur in FY 2019, 2020 and 2021:

- \$20,000 for stipends for trained early learning professionals to administer classroom observational measurements with fidelity (\$800 stipend x 25 classroom observational measurements)
- \$37,400 for software licenses for 5 early learning professionals for classroom observational measurement documentation and hardware (\$7,480 per license x 5)
- \$2,313 for travel by early learning professional to early learning program to conduct classroom observations (\$93 x 25 classroom observational measurements). Department estimate of state-wide mileage costs based on 250-mile trip at 37 cents per mile.

The total cost assumed by DESE equals \$59,713 (\$20,000 + \$37,400 + \$2,313).

**Oversight** notes this proposal extends the sunset (from August 28, 2019 (FY 2020) to August 28, 2022) on a three year pilot program that requires the DESE, Department of Mental Health, Department of Health and Senior Services, and the Department of Social Services to collaborate

ASSUMPTION (continued)

to develop a voluntary early learning quality assurance report. Oversight will use the estimates provided by DESE in the fiscal note.

In response to a similar proposal, Perfected HB 1420 (LR 421-01), officials at the **Department of Health and Senior Services**, the **Department of Mental Health** and the **Department of Social Services** each assumed there is no fiscal impact from this proposal.

§162.401 Surety Bonds

In response to a previous version, HCS SB 743 (LR 4496-02), officials at the **DESE** assumed no fiscal impact to the Department. DESE deferred to the school districts for any fiscal impact.

In response to a previous version, SB 743 (LR 4496-01), officials from **Forsyth R-III Schools**, **Kirkville R-III School District**, **Summersville R2 School District**, and **West Plains School District** each assumed the proposal would have no fiscal impact on their organizations.

**Oversight** assumes this proposal would require only one surety for a treasurer instead of the current two sureties. Oversight assumes this would not fiscally impact the state or school districts by a material amount.

§162.720 Gifted Programs and §162.722 Acceleration Policy

In response to a similar proposal, Perfected HB 1421 (LR 4455-01), officials from the **DESE** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal, Perfected HB 1421 (LR 4455-01), officials from the **Summersville R2 School District** assumed an unknown impact.

In response to a similar proposal, Perfected HB 1421 (LR 4455-01), officials from the **Osage R-2 School District** assumed there is a cost to create and approve the policy. Also, officials assume there is a loss of ADA for a student who is accelerated (times the number of years accelerated). If a student is accelerated one grade, the district would have a loss of \$7,000 per student.

In response to a similar proposal, Perfected HB 1421 (LR 4455-01), officials from the **Montgomery County R-II School District** assumed no cost from this proposal. The district already has an appeal process.

In response to a similar proposal, Perfected HB 1421 (LR 4455-01), officials from the **West Plains School District**, **Moberly School District #81**, **Pettis County R-12 School District**,

ASSUMPTION (continued)

**Kirksville R-III School District**, and **Forsyth R-III Schools** assumed the proposal would have no fiscal impact on their organizations.

**Oversight** notes this proposal requires a school district with a gifted program to have a policy, approved by the school district's board of education, that outlines when a parent could request a review of the decision that determined that their child did not qualify to receive services through the district's gifted education program. Oversight assumes the creation and approval of these procedures can be done with existing resources.

Depending upon the decision review processes that are set up, **Oversight** assumes there could be some additional costs to school districts. Therefore, Oversight will reflect a potential cost to school districts as \$0 or an unknown amount of costs to the district.

**Oversight** assumes any loss to the average daily attendance (ADA) from acceleration would occur in the long run (at the time of graduation when the cumulative total ADA would be less than if acceleration had not occurred) and would be outside the time frame of this fiscal note. Oversight will not show an impact to schools from acceleration.

§163.018 Enrollment Vacancy

In response to previous version, HCS for SB 743 (LR 4496-05), officials at the **DESE** assumed this proposal would result in insignificant costs. This would be a cost to the foundation formula. DESE has no way to estimate the number of kids that might leave a program or whether a district would choose to fill a vacancy if a pupil did leave. DESE assumes any impact would be insignificant.

Based on DESE's response, **Oversight** will show a fiscal impact of less than \$100,000 to General Revenue and the State Schools Money Fund.

§164.011 Valuation of Property

In response to a similar proposal, HB 2169 (LR 5618-01), officials from the **State Tax Commission (TAX)** assumed an unknown fiscal impact. This proposal will treat all increases in utility valuation as new construction, and as such will not be calculated as reassessment growth and would be excluded from local tax levy calculations. The fiscal impact would be entirely at the local level. This proposal would prevent a rollback of local levies due to State utility valuation increases. School districts would be allowed to keep levies at a higher rate.

ASSUMPTION (continued)

In response to a similar proposal, HB 2169 (LR 5618-01), officials from the **Office of the State Auditor** assumed this proposal should have no fiscal impact. Any impact can be absorbed through current appropriations.

In response to a similar proposal, HB 2169 (LR 5618-01), officials from the **Department of Revenue** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal, HB 2169 (LR 5618-01), officials from the **Wellsville-Middletown R-1 School District** assumed the proposal would have a small but positive fiscal impact on the district.

In response to a similar proposal, HB 2169 (LR 5618-01), officials from the **Kirksville R-III School District** assumed the proposal would provide a neutral fiscal impact on the district.

In response to a similar proposal, HB 2169 (LR 5618-01), officials from the **Summersville R2 School District** assumed a probable negative fiscal impact.

In response to a similar proposal, HB 2169 (LR 5618-01), officials from the **Raymore-Peculiar School District** assumed this proposal would allow new construction for State Assessed Railroad & Utility projects to be counted as new construction in property tax calculations. Currently, such projects typically result in a decrease in the local operating tax levy, such as a recent new pipeline in Cass County that lowered our levy by approximately five cents. For Raymore-Peculiar School District, a decline of one cent in tax levy results in a loss of approximately \$54,500 annually. This would help avoid such losses in the future for SARRU new construction.

§167.128 Educational Services for Neglected or Delinquent Children

In response to a similar proposal, HCS for HB 2625 (LR 6682-02), officials from **DESE** assumed section 167.128 would alter state accountability programming. DESE anticipates one-time costs of approximately \$10,000.

In response to a similar proposal, HCS for HB 2625 (LR 6682-02), officials from **Department of Social Services** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal, HCS for HB 2625 (LR 6682-02), officials from the **Wellsville-Middletown R-1 School District** assumed the proposal would have no fiscal impact on the district.



ASSUMPTION (continued)

In response to a similar proposal, HB 2625 (LR 6682-01), officials from the **Kirksville R-III School District** assumed this proposal should have no fiscal impact on the district, but it should help our test scores.

In response to a similar proposal, HB 2625 (LR 6682-01), officials from the **Summersville R2 School District** assumed this proposal could have a positive fiscal impact.

**Oversight** assumes there is no direct fiscal impact to school districts. However, Oversight will show the computer costs estimated by DESE in the fiscal note.

§167.225 Braille Instruction

In response to a similar proposal, HCS for HB 2555 (LR 6470-02), officials from the **DESE** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal, HB 2555 (6470-01), officials from the **Summersville R2 School District** assumed a negative fiscal impact.

In response to a similar proposal, HB 2555 (6470-01), officials from the **Wellsville-Middletown R-1 School District** stated that as the district already does this for any student that needs it, this proposal would have no noticeable fiscal impact on the school.

In response to a similar proposal, HB 2555 (6470-01), officials from the **Kirksville R-III School District** assumed this proposal would have a negative fiscal impact on district. There are not many teachers certified in these specialty areas. The district advertised for a sign language teacher for 3 years and never had one because there were no certified staff apply.

In response to a similar proposal, SB 681 (LR 4760-02), officials from the **Bakersfield R-IV School District** assumed the estimated cost for the district would be approximately \$150,000 per year.

In response to a similar proposal, SB 681 (LR 4760-02), officials from the **West Plains School District** assumed the cost related to employing a Braille specialist is \$20,000 to \$70,000 annually.

**Oversight** notes, in previous years, DESE estimated the salary for a Braille instructor at \$60,000 plus \$34,200 [57% (school district benefit percentage)] for a total of \$94,200.

ASSUMPTION (continued)

**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 2016-2017 school year 42 school districts provided a course for visual instruction. If half of the 518 school districts needed a Braille instructor, the cost to the school districts is estimated at \$25,900,000 (259 \* \$100,000). Oversight cannot estimate the number school district that would need a Braille instructor as a result of this proposal. Oversight will show the impact of this proposal as unknown, \$100,000 per district that needs a Braille instructor.

§167.902 Career and Salary Information

In response to a similar proposal, HB 1455 (LR 4343-02), officials from the **DESE** stated much of the information being suggested by this proposal is already available through Missouri Connections, which is currently offered to all school districts at no charge. Some enhancements to the existing system will likely be necessary to include additional information and links to other resources; however, costs to accomplish these enhancements will likely be insignificant.

Officials from **Department of Economic Development** assume this proposal creates 167.902 requiring DED to annually identify occupations in which a critical need or shortage of trained personnel exists in the labor markets and provide that information to the state board of education. The board of education then gives that information to local school districts.

Compiling and analyzing the data to fulfill these requirements will require the purchase of software or the creation of software and annual software maintenance. This is estimated at \$26,270 per year. DED will also need a 1/2 FTE to gather and analyze the data.

**Oversight** assumes the current FTE could handle the program. Should a sufficient number of new vendors and courses be submitted to justify additional FTE, DESE could request the FTE through the appropriation process.

Officials from **Office of Administration - Information Technology (ITSD)** estimate the software costs for DED at \$26,270 in FY 2019, \$18,198 in FY 2020 and \$18,653 in FY 2021.

**Oversight** will show an impact to general revenue for the software costs.

§168.024 Externship

In response to a similar proposal, HB 1415 (LR 4033-01), officials from the **DESE** assumed the proposal would have no fiscal impact on their organization.

ASSUMPTION (continued)

In response to a similar proposal, HB 1415 (LR 4033-01), officials from the **Shell Knob #78 School District** assumed the district could initially save the cost of sending teachers to a Professional Development opportunity.

In response to a similar proposal, HB 1415 (LR 4033-01), officials from the **Northeast Nodaway R-5 School District, Kirksville R-III School District, West Plains School District, Macon County R-IV School District and Pettis County R-12 School District** assumed the proposal would have no fiscal impact on their organizations.

**Oversight** notes this proposal would allow teachers to participate in externships with local businesses and count it as part of the professional development required under §168.024. In order to obtain a teaching certificate in Missouri an applicant must have the required educational degree, pass a background check and have a certain number of professional development hours (including so many hours in a classroom) per §168.024. This proposal would allow the externships to count towards the professional development that can be obtained outside the classroom.

**Oversight** assumes this proposal would not have a fiscal impact as the teachers are already required to have a set number of professional development hours.

§168.770 School Library Information and Technology Program

In response to a similar proposal, HCS for HB 2411 (LR 5939-02), officials from the **Department of Elementary and Secondary Education** assumed this proposal would require stakeholder meetings to develop the required process for reviewing district programs. The meeting costs total \$23,535 in FY 2019. DESE defers to local school districts.

Hotel	\$125
Meals	\$ 44
Mileage	<u>\$92.5</u>
Total	\$261.50

For 30 participants over 3 days at \$261.50 per day, total costs are estimated at \$23,535.

In response to a similar proposal, HCS for HB 2411 (LR 5939-02), officials from the **Shell Knob #78 School District** assumed this proposal would cost the district approximately \$50,000 in order to employ a full-time librarian.

ASSUMPTION (continued)

In response to a similar proposal, HCS for HB 2411 (LR 5939-02), officials from the **Kirkville R-III School District** assumed it is hard to determine a fiscal impact of this proposal, but it could be very expensive if the district were to have to update all libraries.

In response to a similar proposal, HCS for HB 2411 (LR 5939-02), officials from the **Summersville R2 School District** and **Wellsville-Middletown R-1 School District** assumed the proposal will have no fiscal impact on their organization.

In response to a similar proposal, HB 2411 (LR 5939-01), officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. 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. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the 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 the office can sustain with the core budget. Therefore, the 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. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

In response to a similar proposal, HCS for HB 2411 (LR 5939-02), officials from the **Joint Committee on Administrative Rules** assumed this proposal was not anticipated to cause a fiscal impact beyond its current appropriation.

**Oversight** assumes the proposal requires DESE to develop a process for recognition of a district's school library information and technology program. Oversight will show the meeting costs estimated by DESE in the fiscal note.

§178.931 Sheltered Workshops

In response to a similar proposal, Perfected HB 2644 (6586-03), officials from **Office of Administration - Budget and Planning (B&P)** stated the proposed legislation modifies the reimbursement methodology for sheltered workshops. The current pay-rate is \$95 for each standard workweek (Monday through Friday) and \$19 for each six-hour or longer day for

ASSUMPTION (continued)

Saturdays or Sundays. For each worker employed for less than a thirty-hour workweek or a six-hour day on Saturday or Sunday, a percentage of the standard pay-rate based on time worked will be paid to the sheltered workshop. The proposed legislation will require reimbursement to equal an amount that constitutes at least \$21 for each six-hour or longer day worked per employee. Otherwise, the amount paid to each sheltered workshop shall be the full appropriation distributed proportionately based on the number of hours submitted by each sheltered workshop to DESE.

The proposed legislation appears to have no direct impact on TSR or the calculation pursuant to Article X, Section 18(e). B&P defers to DESE for any specific impact to sheltered workshop reimbursement.

In response to a similar proposal, Perfected HB 2644 (6586-03), officials from the **DESE** assume the proposal will have no fiscal impact on their organization. DESE assumes any potential cost arising from this proposal can be absorbed with existing appropriations.

**Oversight** notes, based on information from DESE’s FY 2019 budget documents, there are 90 non-profit sheltered workshops located in Missouri providing employment to approximately 7,000 adults with severe disabilities. The current pay-rate is \$95 for each standard, Monday through Friday, work week (or \$19 per day) and \$19 for each six-hour or longer day for Saturdays or Sundays. Oversight notes the following information for sheltered workshops:

Table I

	FY 2015	FY 2016	FY 2017	FY 2018 (Proj.)
State Aid Requested	\$24,913,446	\$24,524,953	\$24,190,364	\$25,260,702
State Aid Paid	\$24,913,446	\$24,524,953	\$23,921,649	\$25,260,702
Total Hours Claimed	8,019,711	7,683,473	7,554,364	7,856,539
Number of Employed	7,034	6,533	6,358	6,612

Source: DESE FY 2019 Budget Book

ASSUMPTION (continued)

Table II

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019*
Appropriations	\$25,283,457	\$25,283,457	\$25,283,457	\$26,041,961	\$26,041,961
Expenditures	\$24,913,446	\$24,524,953	\$24,078,421	N/A	N/A

Source: DESE FY 2019 Budget Book

\* Amount listed in HB 2002

**Oversight** assumes this proposal raises the state reimbursement rate to \$21 per six-hour day. Based on DESE's response, Oversight will not show a fiscal impact resulting from this proposal.

§304.060 Kansas City Public Schools Transportation

**Oversight** assumes that the Kansas City Public Schools school board may contract with any municipality, bi-state agency, or other governmental entity to transport high school children. Oversight assumes this provision is permissive and will not show a fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
<b>GENERAL REVENUE</b>			
<u>Cost</u> - DESE - board member expenses - §161.026 p.4	(\$9,083)	(\$9,356)	(\$9,637)
<u>Cost</u> - DESE - extension of early learning quality assurance program §161.217 from 8/28/2019 to 8/28/2022 p. 5	\$0	(\$59,713)	(\$59,713)
<u>Transfer Out</u> - increased call to the foundation formula for vacancies filled §163.018 p. 7	(Less Than \$100,000)	(Less Than \$100,000)	(Less Than \$100,000)
<u>Cost</u> - DESE - programming costs §167.128 p. 8	(\$10,000)	\$0	\$0
<u>Cost</u> - DED - computer software - §167.902 p. 10	(\$26,270)	(\$18,198)	(\$18,653)
<u>Cost</u> - DESE - meeting costs - §168.770 p. 11	<u>(\$23,535)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b>(Could exceed <u>\$68,888</u>)</b>	<b>(Could exceed <u>\$87,267</u>)</b>	<b>(Could exceed <u>\$88,003</u>)</b>
<b>STATE SCHOOLS MONEY FUND</b>			
<u>Transfer In</u> - from General Revenue - §163.018	Less Than \$100,000	Less Than \$100,000	Less Than \$100,000
<u>Transfer Out</u> - to School Districts - §163.018	(Less Than <u>\$100,000</u> )	(Less Than <u>\$100,000</u> )	(Less Than <u>\$100,000</u> )
<b>ESTIMATED NET EFFECT ON THE STATE SCHOOLS MONEY FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
<b>LOCAL SCHOOL DISTRICTS</b>			
<u>Cost</u> - School District gifted student status review §162.720	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Revenue</u> - state aid for vacancies filled §163.018	Less Than \$100,000	Less Than \$100,000	Less Than \$100,000
<u>Revenue</u> - higher revenue as a result of keeping levies at a higher rate (levies are not adjusted for increases in state utility valuation) - §164.011	Unknown	Unknown	Unknown
<u>Cost</u> - School Districts - hiring a Braille instructor - §167.225	(Unknown, could exceed \$100,000) per district that hires a Braille <u>instructor</u>	(Unknown, could exceed \$100,000) per district that hires a Braille <u>instructor</u> )	(Unknown, could exceed \$100,000) per district that hires a Braille <u>instructor</u>
<b>ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICTS</b>	<b>Unknown to <u>(Unknown)</u></b>	<b>Unknown to <u>(Unknown)</u></b>	<b>Unknown to <u>(Unknown)</u></b>
<u>FISCAL IMPACT - Small Business</u>			

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

FISCAL DESCRIPTION

Currently, public schools are required to be in session for a minimum of 174 days and 1,044 hours. Beginning in the 2019-2020 school year, this bill changes the requirement to a minimum of 1,044 hours of actual pupil attendance with no minimum number of required school days except for kindergarten pupils who must be provided a minimum of 522 hours of actual pupil attendance with no minimum number of days.

Beginning in the 2019-2020 school year, when determining the amount of state aid to the Division of Youth Services in the Department of Social Services for educational services to elementary and secondary students who have been assigned to the division by the courts and who have been determined as inappropriate for local public school attendance, the number of full-time



FISCAL DESCRIPTION (continued)

equivalent students must be determined by dividing the number of student-hours by 1,044 hours.

A student hour must mean one hour of education services provided for one student.

Beginning in the 2019-2020 school year, each school calendar must include 36 make-up hours for possible loss of attendance due to inclement weather. A school district may be exempt from the requirement to make up school lost or canceled due to inclement weather when the district has made up the required 36 hours and half the number of additional lost or canceled hours up to 48, resulting in no more than 60 total make-up hours. The Commissioner of Education within the Department of Elementary and Secondary Education may provide, upon request, a waiver for any school district to be excused from the 1,044 hours of actual pupil attendance requirement.

The provisions allowing a school district to establish a four-day school week are repealed. The repeal will become effective on July 1, 2019.

This provision allows charter schools to give a preference for admission to high-risk students. (160.410)

This bill provides students the opportunity to choose between the ACT WorkKeys assessment or ACT (including ACT Plus Writing) assessment in any school year in which DESE directs a state-funded census administration of the ACT assessment, or in which a school district directs the administration of the ACT assessment. (160.572)

This proposal specifies that a teacher representative shall be appointed to the state board of education. (161.026 & 161.072)

This bill specifies that the Department of Elementary and Secondary Education shall handle career and technical student organization funds as it deems necessary. (161.106)

This bill extends the sunset for the early learning quality assurance report pilot program from August 28, 2016 until August 28, 2019. (161.217)

This proposal would require only one surety for a treasurer instead of the current two sureties. (162.401)

This bill requires any district with an approved gifted education program to have a process, which must be approved by the district's board of education, that outlines the procedures and conditions under which parents or guardians may request a review of the decision that

FISCAL DESCRIPTION (continued)

determined that their child did not qualify to receive services through the district's gifted education program. (167.720)

This bill also allows for the subject or whole grade acceleration of any student. (167.722)

This proposal also allows a school district or charter school to fill a vacant enrollment spot with another pupil between the ages of three and five who is eligible for free and reduced lunch without affecting the district or charter school's average daily attendance. (163.018)

This bill requires the aggregate increase in the valuation of property assessed by the State Tax Commission for the current year over that of the previous year to be considered new construction and improvements. The State Tax Commission is responsible for the statewide assessment of the property of railroads, airlines, pipelines, and electric and telecommunication companies. (164.011)

DESE shall not create any report relating to the Missouri school improvement program in which data from a district's regularly enrolled students are aggregated with data from students residing in such facilities. DESE shall aggregate all students residing in such facilities and issue reports as if the students and facilities were their own separate local educational agency. (167.128)

This bill requires all students who are eligible for special education services under the Individuals with Disabilities Education Act and have vision impairment that adversely affects their educational performance to receive instruction in braille unless it is determined that instruction in braille is not appropriate. (167.225)

This bill requires high schools to provide students with resources and information regarding industry-recognized certificates and credentials, in demand occupations and skills, typical salaries for trending occupations, obtaining financial assistance, and self-employment as well as resume creation, interviewing, networking, and finding job opportunities. The Department of Economic Development shall annually identify occupations that are experiencing a critical need or shortage of trained personnel. (167.902)

This bill allows a teacher to count hours spent in a local business externship as contact hours of professional development. (168.024)

The bill requires the Department of Elementary and Secondary Education to develop a process for recognition of a district's school library information and technology program before July 1, 2019. (168.770)

FISCAL DESCRIPTION (continued)

This bill provides the Department of Elementary and Secondary Education shall pay monthly, out of appropriated funds for that purpose, to each sheltered workshop a sum determined by specified criteria, but no less than \$21 per day for each handicapped employee. The bill contains an emergency clause. (178.931)

This proposal allows Kansas City Public Schools school board to contract with any municipality, bi-state agency, or other governmental entity to transport high school children. (304.060)

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  
Office of the State Courts Administrator  
Office of the Governor  
Missouri Senate  
Department of Health and Senior Services  
Department of Mental Health  
Missouri Tax Commission  
Office of the State Auditor  
Department of Revenue  
Department of Economic Development  
Office of Administration - Budget and Planning  
Office of the Secretary of State  
Joint Committee on Administrative Rules  
Kirksville R-III School District  
Northeast Nodaway R-5 School District  
Summersville R2 School District  
West Plains School District  
Forsyth R-III Schools  
Osage R-2 School District  
Montgomery County R-II School District  
Moberly Public Schools  
Pettis County R-5 School District  
Wellsville-Middletown R-1 School District  
Raymore-Peculiar Public Schools

SOURCES OF INFORMATION (continued)

Bakersfield Public Schools  
Shell Knob #78 School District  
Macon County R-IV School District

Ross Strope

A handwritten signature in black ink, appearing to read "Ross Strope", with a stylized flourish at the end.

Acting Director  
May 14, 2018