

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5694-04
Bill No.: SB 964
Subject: Elementary and Secondary Education; Department of Elementary and Secondary Education
Type: Original
Date: February 12, 2018

Bill Summary: This proposal creates an advisory council to make recommendations to the State Board of Education regarding assessments and learning standards for certain students.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	(\$6,882,692)	(\$6,882,692)	(\$5,000,000)
Total Estimated Net Effect on General Revenue	(\$6,882,692)	(\$6,882,692)	(\$5,000,000)

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

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on FTE	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 2019	FY 2020	FY 2021
Local Government	(Unknown)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assume the following:

- \$3,000,000 in operational administration costs. The estimate is based on pricing for 2017 and 2018 Questar contract that includes the current annual costs to enroll, administer, score and report mathematics, English language arts, science and social studies high school assessments.
 - \$1,000,000 in alternate assessment development costs. The cost is \$3,000 per developed item (this amount is based on prior estimates from vendor estimates of industry average per-item development costs)
 - \$1,000,000 in modified assessment development costs. The cost is \$3,000 per developed item (this amount is based on prior estimates from vendor estimates of industry average per-item development costs)
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- \$5,000,000 Total annual cost to DESE

DESE also assumes \$1,882,692 in meeting costs for workgroups to develop alternate standards and modified standards in mathematics, English language arts, science and social studies for FY 2019 and FY 2020.

Oversight notes this proposal establishes an “Advisory Council on Special Education”. Oversight assumes the advisory council will dissolve one year after presenting the assessments and standards to the state board of education.

In response to a similar proposal, HB 1365 (LR 4226-01), officials from the **Office of the Governor** assumed Section §162.692 establishes an Advisory Council on Special Education that shall consist of 12 gubernatorial appointments. 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.

Officials from the **Summersville R2 School District** assume an unknown fiscal impact.

ASSUMPTION (continued)

Officials from the **Kirksville R-III School District** assume this proposal will have a limited to no fiscal impact on the district.

Officials from the **Missouri Senate** assume the proposal will have no fiscal impact on their organization.

Oversight assumes there could be costs to the school districts to comply with alternate and modified standards and assessments. Oversight will show an unknown fiscal impact to school districts.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE			
<u>Cost</u> - DESE - administration	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)
<u>Cost</u> - DESE -assessment development	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)
<u>Cost</u> - DESE - workgroup meetings	<u>(\$1,882,692)</u>	<u>(\$1,882,692)</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$6,882,692)</u>	<u>(\$6,882,692)</u>	<u>(\$5,000,000)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
LOCAL SCHOOL DISTRICTS			
<u>Cost</u> - compliance with alternate and modified standards and assessments	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICTS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</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 creates the "Advisory Council on Special Education" to be comprised of 12 individuals appointed by the Governor, with the advice and consent of the Senate. The Advisory Council shall develop, and recommend for adoption by the State Board of Education, an alternative assessment for special education students, alternative academic achievement standards for high school students with the most significant cognitive disabilities, and modified assessment and learning standards. The process by which the Advisory Council shall develop the assessments and learning standards is specified in the act.

Any significantly delayed student, as defined in the act, in grades 7-12 may take a modified assessment in place of a statewide summative assessment and learn under the modified learning standards developed by the Advisory Council. No school district shall permit more than 5% of the total number of students in the district to take the modified assessment.


The Advisory Council shall dissolve one year after presenting the assessments and standards to the State Board and making any requested modifications.

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
Missouri Senate
Summersville R2 School District
Kirksville R-III School District

Ross Strobe



Acting Director
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