

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0851-07  
Bill No.: HCS for SS for SB 218  
Subject: Elementary and Secondary Education; Department of Elementary and Secondary Education; Health Care; Children and Minors  
Type: Original  
Date: May 6, 2019

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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 2020	FY 2021	FY 2022	Fully Implemented (FY 2024)
General Revenue	(\$12,000 to Unknown, Could exceed \$166,632)	\$0 to (Unknown, Could exceed \$1,788,053)	\$0 to (Unknown, Could exceed \$1,964,486)	\$0 to (Unknown, Could exceed \$2,840,740)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$12,000 to Unknown, Could exceed \$166,632)</b>	<b>\$0 to (Unknown, Could exceed \$1,788,053)</b>	<b>\$0 to (Unknown, Could exceed \$1,964,486)</b>	<b>\$0 to (Unknown, Could exceed \$2,840,740)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 36 pages.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>				
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>Fully Implemented (FY 2024)</b>
College & University Funds	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
School Turnaround Fund*	\$0	\$0	\$0	\$0
School Intervention Fund*	\$0	\$0	\$0	\$0
School Recognition and Reward Fund*	\$0	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

\*Transfers in and distributions net to zero.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>				
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>Fully Implemented (FY 2024)</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</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 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>Fully Implemented (FY 2024)</b>
General Revenue	0 to 1 FTE	0 to 6 FTE	0 to 6 FTE	0 to 6 FTE
<b>Total Estimated Net Effect on FTE</b>	0 to 1 FTE	0 to 6 FTE	0 to 6 FTE	0 to 6 FTE

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 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>Fully Implemented (FY 2024)</b>
<b>Local Government</b>	<b>\$0 or Unknown, Could exceed \$100,000 to (Unknown)</b>	<b>(Unknown, Could exceed, \$60,474,261)</b>	<b>(Unknown, Could exceed, \$60,474,261)</b>	<b>(Unknown, Could exceed, \$60,474,261)</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### Section 67.139 Property Transfers

Officials from the **City of Kansas City, Missouri** assume this proposal will have a negative fiscal impact on the City of an indeterminate amount. Kansas City has entered into transactions with the Kansas City Public School District by which the City acquired properties, some for parks purposes, but some for other purposes such as redevelopment. There were conditions that were required to be satisfied, prior to the City's acquisition of the properties. For instance, there was a Special Warranty Deed that includes a Property Use Restriction requiring the City to obtain the school district's consent before the property is used for a public or private school for a period of approximately 20 years. The proposed legislation would appear to nullify the City's obligations under the Property Use Restriction contained in the Special Warranty Deed mentioned above.

In response to a similar provision, HB 581 (2019), officials from the **City Keytesville** assumed the proposal would have a minor fiscal impact on their organization.

In response to a similar proposal, HB 581 (2019), officials from the **Monroe County Assessor, City of Columbia** and **Greene County** each assumed the provision would have no fiscal impact on their respective organization.

#### Section 160.410 Free and Reduced Lunch Preference

**Oversight** assumes this proposal could allow Charter Schools to give preference for admission to students who are eligible for free and reduced lunch. Oversight assumes this could shift costs and funding from school districts to charter schools, but would not result in a net impact.

#### Section 161.089 Special School Districts

In response to a similar proposal, Perfected HB 485 (2019), officials from the **Department of Elementary and Secondary Education (DESE)** assumed the proposal would result in no cost to the department.

After further inquiry, **DESE** stated it does not currently modify accreditation standards for special school districts. Because those standards are part of state regulations, DESE believes the State Board of Education already has the authority to waive or modify if needed. The impact on the district would depend on the modifications.

**Oversight** assumes the state board can already modify or waive accreditation standards for special school districts and assumes the proposal will result in no additional fiscal impact to the

ASSUMPTION (continued)

state or special school districts.

**Oversight** notes the state's accountability system for reviewing and accrediting public school districts is the Missouri School Improvement Program, fifth edition (MSIP 5). This fifth cycle has been in use since the 2012-2013 school year.

Section 161.825 Bryce's Law Sunset Removal

In response to a similar proposal, HCS for HB 1212 (2019), officials from **DESE** assumed the proposal would result in no cost to the department.

Officials from the **Office of the State Treasurer (STO)** state the STO does not operate a program like Bryce's Law described in HB 1212 and does not currently have the resources to absorb these duties. STO anticipates a minimum of five (5) FTEs being required to perform the functions noted in the bill.

STO has assigned these costs to the General Revenue Fund as these duties are beyond the scope of permitted expenditures from the State Treasurer's General Operations Fund pursuant to Section 30.605, RSMo, which authorizes the Treasurer to retain interest to fund the office functions pertaining to the management of state funds. The basis point cap included within this section cannot absorb additional functions without being raised above 15 basis points.

Because of these duties assigned in HB 1212 the State Treasurer's Office is requesting 5 FTEs beginning in FY 2021 with a cost of \$436,596 and a cost of \$395,681 in FY 2022.

**Oversight** notes Senate Bill 17 (2013) created the Autism Spectrum Disorder Program in Section 161.825, RSMo. The Missouri Department of Elementary and Secondary Education (DESE) currently administers the Autism Spectrum Disorder Program. The program establishes a process for charitable organizations to become scholarship granting organizations to assist individuals, 21 years old and younger, diagnosed with autism spectrum disorder, Down syndrome, Angelman syndrome, dyslexia or cerebral palsy. House Bill 1614 (2014) expanded Section 161.825, RSMo to include dyslexia as a qualifying need.

The proposed version of the original bill containing Bryce's Law, HB 458 (2013) included an eighty percent income tax credit for the donation to a charitable organization. The tax credit was to be the effective funding mechanism for the program. However, the tax credit was reduced to fifty percent in the House Committee Substitute and then eliminated completely during Perfection. The provisions of Bryce's Law were added to SB 17 (2013) as a House amendment

ASSUMPTION (continued)

and later retained in the Conference Committee Substitute.

The provisions in Section 161.825, RSMo, include an automatic sunset six years from the effective date; and the program is set to sunset on December 31, 2019 unless the program is reauthorized by the General Assembly. Oversight notes this proposal removes the sunset provision; however, it does not contain a funding mechanism.

In response to a sunset inquiry, **DESE** stated the program has not been utilized and does not currently have dedicated FTE. Only one organization applied for and was approved as a scholarship granting organization, the Down Syndrome Association of Greater St. Louis (DSAGSL); however, no scholarships were granted under this program.

**DESE** stated that they did not receive funding for the program, nor have they ever requested it during the budget process since the enactment of SB 17 (2013). **DESE's** fiscal note response for SB 17 (2013) indicated the need for one FTE supervisor (at \$47,472) and two FTE administrative assistants (each at \$32,064). **DESE** noted that if they were to make a request for funding, it would likely be for one supervisory FTE that could provide more frequent information to the field and could seek out sponsoring organizations.

**Oversight** notes, since inception, there has only been one organization authorized as a scholarship granting organization. On brief review of charitable organizations offering services to students with disabilities during the sunset inquiry, many offer financial aid, grants or scholarships directly to clients without the compliance requirements of this program. Currently, there is little incentive for charitable organizations to participate in the program. Additionally, **DESE** has had limited success and resources in actively seeking financial resources for scholarship funds or clinical trials.

**Oversight** assumes due to the lack of participation in the exiting program it could be administered with one FTE. However, **Oversight** notes the STO indicated they do not currently operate a program similar to Bryce's Law. Therefore, **Oversight** assumes the STO may need more FTE to administer the program.

Additionally, **Oversight** notes, since its enactment in 2013, the program has not received an appropriation. Therefore, **Oversight** will show a range of impact of \$0 (no appropriation) to one FTE (as indicated by **DESE** in response to a sunset inquiry) up to 5 FTE (one Director at \$84,925, three analysts at \$39,708 per analyst and one clerk at \$24,744) as noted by the STO.

ASSUMPTION (continued)

**Oversight** notes this proposal has a delayed effective date of July 1, 2020 and will show costs beginning in FY 2021.

Sections 161.1080 - 161.1130 School Turnaround Program

Officials from the **DESE** assume the proposal will result in no cost to the department.

Officials from the **Office of the State Treasurer** assume the proposal will have no fiscal impact on their organization.

In response to a similar proposal, SCS for HCS for HB 604 (2019), officials from the **Springfield Public Schools** assumed the proposal would have no fiscal impact on their organization.

In response to a previous version, HB 604 (2019) officials from the **Bakersfield R-IV School District** assumed an impact of approximately \$150,000.

In response to a previous version, Perfected HCS for HB 604 (2019), officials from the **Wellsville-Middletown R-1 School District** assumed the proposal would have no direct fiscal impact on their organization.

**Oversight** assumes the School Turnaround Act creates the School Turnaround Fund which consists of appropriations and gifts, contributions, grants, or bequests received from federal, private or other sources to be used for payments to independent school turnaround experts and administrative expenses. Oversight assumes that all money will be used by the Fund in the year in which it is received.

**Oversight** assumes the School Turnaround Act creates the School Intervention Fund which consists of appropriations and gifts, contributions, grants, or bequests received from federal, private or other sources for purposes of distributing grants to local educational agencies to fund interventions. Oversight assumes that all money will be used by the Fund in the year in which it is received.

**Oversight** assumes the School Turnaround Act creates the School Recognition and Reward Fund which consists of appropriations and gifts, contributions, grants, or bequests received from federal, private or other sources for the purpose of distributing grants to local educational agencies to reward eligible schools or teachers employed by eligible schools. Oversight assumes that all money will be used by the Fund in the year in which it is received.

ASSUMPTION (continued)

**Oversight** assumes these funds would be funded by general revenue if appropriated by the state.

**Oversight** notes the School Turnaround Act is subject to appropriation; therefore, Oversight will range the potential impact from “\$0 to” estimated expenditures.

**Oversight** notes §161.1090.5 states DESE shall not designate any school as in need of intervention before September 1, 2020 (FY 2021). Therefore, Oversight will not reflect an appropriation made for the School Turnaround Act in FY 2020.

**Oversight** notes §161.1100.1 states before August 30, 2020, DESE shall identify two or more approved independent school turnaround experts through an RFP process that a school in need of intervention may select from to partner with. Also, §161.1105 states DESE shall pay no more than fifty percent of the independent school turnaround expert’s professional fees during the time period the expert is providing services to the school (with remainder of the fee to be paid upon successfully helping a school turnaround within four years after a school is designated as needing intervention). Also, in that section, in negotiating the contract, DESE shall offer an average of \$650,000 for the entirety of the project.

**Oversight** will assume there could be two school turnaround experts under contract by FY 2021, each responsible for a school and each receiving \$108,333 (1/3 of 50% or 16.6%) on their contract within their first year, another \$108,333 within their second year and an additional \$108,333 within their third year (for a total of 50% over three years.) with the remaining 50% being paid in the fourth year.

Assuming two new turnaround experts are hired each year, **Oversight** notes this would total \$216,666 in FY 2021 (2 experts), \$433,333 in FY 2022 (4 experts), \$650,000 in FY 2023 (6 experts) and \$1,300,000 in FY 2024 (8 experts 2 of which are paid the final 50% of their contract). The number of experts and the number of projects does not appear to be limited in the Act, only limited by the appropriation awarded by the General Assembly.

Therefore, **Oversight** will range the fiscal impact from \$0 (no appropriation made) to a cost that could exceed the amounts as estimated above depending on the number of experts hired and the timing of the payments.

Section 162.703 Lease Agreements

Officials from **DESE** assume the proposed legislation targeted lease agreements from the time period beginning July 1, 2019, through August 28, 2024. Those lease payments are reimbursed



ASSUMPTION (continued)

by the department one year in arrears; therefore, the fiscal impact will be shown beginning in FY 21 continuing through FY 26.

By extending the deadline to determine the maximum allowable cost, this proposal will result in additional costs to General Revenue (GR). The following charts show the amount of the lease payment impacted for each lease identified to be in effect prior to March 2, 2015.

School District Name	Current Lease	Maximum Allowed under Funding Formula	Fiscal Impact*
Lamar R-I	\$11,200.00	\$23,400.00	\$0
Columbia 93	\$115,000.00	\$50,880.00	\$64,120.00
Nixa Public Schools	\$875,000.04	\$104,280.00	\$770,720.04
Cameron R-I	\$9,018.00	\$33,000.00	\$0.00
Salem R-80	\$12,600.00	\$53,400.00	\$0.00
Springfield R-XII	\$150,000.00	\$38,400.00	\$111,600.00
Lexington R-V	\$2,664.00	\$15,163.20	\$0.00
McDonald Co. R-I	\$8,500.00	\$36,960.00	\$0.00
Seneca R-VII	\$21,890.00	\$27,000.00	\$0.00
Perry Co. 32	\$2,860.00	\$22,651.20	\$0.00
North Platte Co. R-I	\$8,000.00	\$9,360.00	\$0.00
Bolivar R-I	\$18,700.00	\$28,262.40	\$0.00
Fair Play R-II	\$43,000.00	\$35,280.00	\$7,720.00
Blue Eye R-V	\$5,400.00	\$6,600.00	\$0.00
Houston R-I	\$13,500.00	\$14,580.00	\$0.00
Nevada R-V	\$8,513.48	\$61,560.00	\$0.00
		<b>Total</b>	<b>\$954,160.04</b>

ASSUMPTION (continued)

\* Fiscal impact is calculated as the difference between the total amount of the lease less the maximum reimbursement allowed under the formula if the value of the current value of the lease exceeds the maximum allowable reimbursement.

In response to a similar proposal, SB 465 (2019), officials from **Wellsville-Middletown R-1 School District** assumed this proposal would not effect the district directly, though be allowing greater reimbursements to other districts it may reduce the pot of money available to all other schools.

**Oversight** notes 5 CSR 30-640.200 was filed May 28, 2015, and effective on January 30, 2016. The rule established a funding formula for early learning programs facility lease agreements. Oversight notes leases in effect before March 2, 2015, were exempt from the funding formula. And as of July 1, 2019 the formula would be applied to these leases. Oversight assumes this proposal extends the exemption for leases in effect before March 2, 2015. Oversight will show a range of impact of \$0 (no appropriation) to a cost to general revenue of \$954,160 beginning in FY 2021.

Section 162.720 Gifted Programs

In response to a similar proposal, Perfected HB 112 (2019), officials from **DESE** assumed there is no fiscal impact from this proposal. DESE defers to the school districts for fiscal impact.

In response to a similar proposal, HCS HB 1435 (2018), **DESE** stated an increase in the number of gifted students would not impact funding as there is no earmarked funding for gifted. Funding in the formula for gifted is set at \$24,870,104 and has been set at this since the 2004-2005 school year.

In response to a similar proposal, Perfected HB 112 (2019), officials from the **Wellsville-Middletown R-1 School District** assumed this proposal has the potential to have a substantial negative fiscal impact.

In response to a similar proposal, Perfected HB 112 (2019), officials from the **Lee's Summit R-7 School District** assumed this proposal would be of no cost to the district because we have a state-approved program.

In response to a similar proposal, Perfected HB 112 (2019), officials from the **Springfield Public Schools** assumes the cost to the district would be for additional professional development for non-certificated gifted teachers. The program already exists in our district but this change would create a mandate for districts. Additional cost above current expenditure is negligible.

ASSUMPTION (continued)

**Oversight** notes, per information from DESE's website, 204 school districts in Missouri offered gifted programs and served 39,299 gifted students in 2015-2016. Per DESE, expenditures on gifted programs in 2016-2017 were estimated at \$42,546,592.

**Oversight** estimates gifted spending is approximately \$1,083 per gifted student (\$42,546,592 / 39,299). A report from the Advisory Council on the Education of Gifted and Talented Children notes there were 6,052 students identified as gifted that were not being served by a state approved program in Missouri in 2015. If school districts created gifted programs for 6,052 students, the cost to the school districts is estimated at \$6,554,316 (6,052 \* \$1,083).

**Oversight** notes this proposal would require a school district to establish a gifted program if 3% or more of students are determined to be gifted. Oversight is unable to determine how many districts would need to establish a gifted program. Therefore, Oversight will show an potential impact to school districts of \$0 up to an unknown cost.

Section 163.018 Early Childhood Education Contracts

Officials from **DESE** assume there would be a fiscal impact; however, that impact is unknown. DESE does not know how many children districts or charter schools are currently serving in this age group. The new language would imply all of the services could be contracted out to another entity.

Based on experiences with Missouri Preschool Program grants few districts chose to work with other entities. Of those that did chose to work with another entity, the partnership did not always last the duration of the grant.

**Oversight** notes that if school districts choose to participate, this could result in additional students being covered under the average daily attendance. This proposal has the potential to increase the call to the foundation formula. Based on the 17-18 formula payment per ADA (\$3,996), Oversight notes an additional 26 children would potentially increase the call to the foundation formula by \$103,896 (26 \* \$3,996).

While the foundation formula was fully funded in FY 2018, **Oversight** is unable to predict whether it will be fully funded in future fiscal years. Oversight notes that if the foundation formula is not fully funded then this proposal may not result in a cost to General Revenue or the State School Moneys Fund. Therefore, Oversight assumes the range of fiscal impact is \$0 (no contracts with school districts or no increase in appropriation) to an unknown cost that could exceed \$100,000 (increased call to the foundation formula and increase in appropriation).

ASSUMPTION (continued)

**Oversight** assumes this proposal could result in a positive impact to school districts if they are currently contracting out and are now able to receive state aid for those students. However, Oversight notes that if the foundation formula is not fully funded then any cost would be incurred by the school districts rather than General Revenue. For purposes of this fiscal note, Oversight assumes school districts can currently contract out for early childhood education programs and the cost of contracting out is not a result of this proposal. Therefore, Oversight will show a range of potential fiscal impact to school districts of \$0 (no contracts or no appropriation) to an unknown increase in revenue (contracted and appropriated).

In response to a similar proposal, HB 594 (2019), officials from the **Department of Public Safety - Missouri State Highway Patrol** assumed the proposal would have no fiscal impact on their organization. The Office of Early Childhood currently fingerprints applicants for early childhood education.

**Oversight** notes this proposal requires staff members of any early childhood education program that is under contract with a district or charter school to undergo background checks. However, Oversight notes the Department of Public Safety - Missouri State Highway Patrol assumed there would be no fiscal impact. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note from this provision.

In response to a similar proposal, HB 594 (2019), officials from the **Springfield Public Schools** and **Wellsville-Middletown R-1 School District** each assumed the proposal would have no fiscal impact on their respective organizations.

Sections 167.268 and 167.645 Reading Intervention

Officials from **DESE** estimate a one-time expense, for programming, totaling \$12,000 to meet the reporting requirements.

**Oversight** notes ITSD assumes that every new IT project/system will be bid out because all their resources are at full capacity. For this bill, DESE estimated the ITSD programming costs to be \$12,000. Oversight notes that an average salary for a current IT Specialist within ITSD is \$51,618, which totals roughly \$80,000 per year when fringe benefits are added. Assuming that all ITSD resources are at full capacity, Oversight assumes ITSD may (instead of contracting out the programming) hire an additional IT Specialist to perform the work required from this bill. Therefore, Oversight will range the fiscal impact from the cost of contracting out the work (\$12,000) to hiring an additional FTE IT Specialist (roughly \$80,000 per year).

**Oversight** notes section 167.645 subsection 6 requires schools to establish an intensive

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acceleration class for students not reading proficient or above on the third grade state assessment. Oversight notes this subsection requires DESE to reimburse school districts for additional costs incurred in the implementation and execution of the thirty hours of additional reading instruction minus the revenue generated from the foundation formula. However, it is unclear if students being provided intensive acceleration would be required to complete 30 hours of additional reading instruction.

In response to a similar proposal, SCS for SB 349 (2019), officials from the **Blue Springs School District** assumed this proposal would require the district to hire a minimum of seven certificated FTE at a cost of approximately \$420,000 to implement.

In response to a similar proposal, SCS for SB 349 (2019), officials from **Wellsville-Middletown R-1 School District** assumed this proposal has the potential to have a substantial negative fiscal impact on the district.

In response to a similar proposal, SCS for SB 349 (2019), officials from **Springfield Public Schools** assumed this proposal would cost \$3,500,000 for additional teachers, training, resources, assessments and reporting.

In response to a previous version, SB 349 (2019), officials from the **Lee's Summit R-7 School District** assumed there would be little financial impact, under \$10,000, as the district already utilizes this practice.

In response to a previous version, SB 349 (2019), officials from **Bakersfield R-IV School District** assumed this would cost \$10,000 annually.

In response to a previous version, SB 349 (2019), officials from **Osage County R-2 School District** assumed this plan is a duplicate action of what schools are already doing for students. The cost for the intensive acceleration class is too high for smaller districts to have without additional funding from DESE. The information that needs to be posted is not always available by September and is a violation of FERPA if you have class sizes that are small enough to distinguish the child with the score that has to be posted.

In response to a previous version, SB 349 (2019), officials from **Parkway Schools** anticipated a cost of \$80,000 to purchase a structured literacy intervention.

In response to a similar proposal, SCS for SB 349 (2019), officials from the **Department of Higher Education, University of Missouri System** and **State Technical College of Missouri**

ASSUMPTION (continued)

each assumed the proposal would have no fiscal impact on their organization.

In response to a previous version, SB 439 (2019), officials from **Missouri State University** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal, officials from **University of Central Missouri (UCM)** stated, assuming applicable courses in the UCM College of Education would need to switch all official ILA alignments to IDA alignments (e.g., SLO's, assessments, and accreditation) the fiscal impact of SCS for SB 349 on UCM would be \$98,984 to pay for additional faculty needed to develop new curriculum, and to cover costs associated with other programmatic general operation needs.

**Oversight** assumes this proposal states the State Board of Education may recommend that institutions of higher education align literacy and reading coursework with standards from the Center for Effective Reading Instruction. Oversight will show a range of cost of \$0 (no change required) to an unknown cost to align coursework.

**Oversight** notes some school districts have indicated a large cost to their district, others indicated they already utilize similar practices and yet others have said they would not be able to implement this proposal without additional funding. Oversight notes the average daily attendance (ADA) numbers for Springfield Public Schools is approximately 24,041. Oversight notes their assumed cost per ADA is estimated at \$146 (\$3.5 million / 24,041). Therefore, Oversight notes, if the school districts in the state (with roughly half of state's ADA) incurred additional costs similar to Springfield Public Schools, the cost to Missouri school districts is estimated at \$61,588,421 ((843,677 total ADA/2)\*\$146).

Sections 168.133 and 304.060 Transportation Contracts with Municipalities

In response to a similar proposal, Perfected HB 606 (2019), officials from the **DESE** assumed the proposal would result in no cost to the department.

Officials from the **Department of Public Safety - Missouri State Highway Patrol (MHP)** assume the proposal would have no fiscal impact on their organization.

Officials from the **City of Columbia** assume the proposal would have no fiscal impact on their organization unless the City of Columbia and the local school district agree to the arrangement in the proposal.

Upon further inquiry, the **City of Columbia** stated the impact of the proposal would depend

ASSUMPTION (continued)

entirely on the terms of the agreement. The city has not done a cost analysis as it would depend on the routes, times and requirements with the agreement. The city anticipates they would structure such an agreement to recoup costs from the school district if there were added expenses.

In response to a previous version, HB 606 (2019), officials from the **Wellsville-Middletown R-1 School District**, **Springfield Public Schools**, **Lee's Summit R-7 School District** and **Francis Howell School District** each assumed the proposal would have no fiscal impact on their organization.

In response to a previous version, HB 606 (2019), officials from the **City of Kansas City, Missouri** and **City of Keytesville** each assumed the proposal would have no fiscal impact on their respective organization.

**Oversight** notes, per a news article in the Columbia Daily Tribune, eliminating one bus route in the Columbia School District would save the district about \$60,000. Oversight will show a range of impact to school districts of \$0 (no municipal-district transportation agreements) to an unknown savings that could exceed \$60,000.

**Oversight** assumes municipal bus drivers would be required to meet the requirements for school bus drivers which includes a background check. Based on information from the MHP, Oversight notes the following:

The cost for a state and federal fingerprint based criminal record check for a volunteer submission is \$31.25, per request. The state portion of the record check fee is \$20.00, and the federal portion is \$11.25. If the submitting agency chooses to utilize the state fingerprint services vendor, then an additional \$8.50 is charged by the vendor for this service. Thus, the fee breakdown per request is as follows:

State Fee: \$20.00  
Federal Fee (volunteer): \$11.25  
Total (state and federal Fee) \$31.25  
Total (state, federal and vendor fee): \$39.75

The total amount retained in the Criminal History Record fund after paying the FBI is \$22.00 per request. This equals \$20.00 for the state fee, pursuant to Section 43.530, and \$2.00 of the federal fee, pursuant to 28 CFR 20.31(e) (2) and the current fee schedule as posted in the Federal Register. The remaining amount of \$9.25 (\$31.25-\$22.00 = \$9.25) is passed onto the FBI.

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**Oversight** assumes if one school district opted to replace one school bus route with a municipal bus route, the cost for the background check is \$39.75 of which \$22.00 would be paid into the Criminal History Record Fund. Oversight notes this proposal is permissive and for purposes of this fiscal note, Oversight assumes the impact to the Criminal History Record Fund would be minimal. Therefore, Oversight will not show a fiscal impact to the Criminal History Record Fund.

**Oversight** assumes the proposal requires the presence of an adult supervisor on a municipal bus route transporting school children. Oversight assumes there could be costs to hire an adult supervisor. Based on a brief review, Oversight notes the cost to hire a bus attendant is approximately \$10 to \$14 per hour. Oversight notes the average actual days attended by school districts in 2017-2018 school year was 170 days. Assuming a 2 hour shift per day, Oversight estimates the cost for an adult supervisor at \$3,400 per school year ((170 days \* 2 hours) \* \$10). Oversight is uncertain if this cost would be paid by the school district or the municipality.

Officials from **Missouri Department of Transportation** state, due to the Federal Transit Administration (FTA) School Bus Prohibitions and Charter Regulations, it would be very difficult (almost impossible) to use any federally funded transit vehicle for service contracts with school boards as described on Page 4, Section 304.060, lines 17 - 26. The language (as written) would violate FTA requirements that federally funded transit system fleet and facilities are subject to. Additionally, this legislation could present a challenge to public transit operators interested in having school districts help subsidize bus pass programs for high school students.

Recipients of FTA funding are prohibited from providing school bus service in competition with private school bus operators unless the service qualifies and is approved by the FTA Administrator under an allowable exemption. Federally funded equipment or facilities cannot be used to provide exclusive school bus service. This is noted in FTA policy and during triennial reviews. (Mandated by Congress, triennial reviews examine grantee performance and adherence to current FTA requirements and policies.)

**Oversight** assumes that a municipality receiving FTA funding would not contract with school districts if it is prohibited by FTA regulations.

Officials from the **Department of Public Safety - Missouri State Highway Patrol (MSHP)** state that municipalities entering into contract for pupil transportation services "shall comply with the requirements of ... 307.375"; however, 307.375 requires the safety inspection of components that are not a part of the construction of vehicles other than school buses (i.e., front and rear warning flashers, stop signal arm, crossing control arm, lettering and signing on the



ASSUMPTION (continued)

front, side and rear of the bus).

RSMo 307.375 states in subsection 2: "In addition to the inspection required in subsection 1 of this section, the Missouri State Highway Patrol shall conduct an inspection after February first of each school year of all vehicles required to be marked as school buses under section 304.050".

RSMo 304.050 states "Every bus used for the transportation of school children shall bear upon the front and rear thereon a plainly visible sign containing the words 'school buses in letters not less than eight inches in height." This bill does not exempt municipal buses from being required to be marked as school buses and undergo the annual school bus inspection performed by MSHP.

**Oversight** assumes this could result in costs to cities if they were required to modify municipal buses to meet statutory inspection requirements. Oversight will show a range of impact of \$0 or an unknown cost.

Section 170.020 Social and Emotional Health Education Pilot Program

In response to a previous version, officials from **DESE** estimated costs of approximately \$100,000 to develop the curriculum. The curriculum will need to address bullying, youth suicide prevention and awareness, trauma informed practices, etc. Extra precautions such as a crisis team and plan must be in place for students who, due to that curriculum, self report and seek counseling.

In addition, DESE will have to hire an adequate number of FTE, certified in mental and emotional health, distributed regionally throughout the state to provide accountability for program delivery. DESE estimates hiring 1.0 FTE supervisor to fulfill this requirement.

Officials from **Department of Elementary and Secondary Education** state the new language added to section 170.020.1(3) has negated the need for FTE and curriculum development costs. The language in the previous version required DESE to collaborate with school districts to establish the instructional model for each elementary social and emotional health education program. The new language allows the use of the Missouri Comprehensive School Counseling Program.

**Oversight** notes per the webpage on [School Counseling](#), DESE currently has staff "to work with schools to help ensure that each school has a fully implemented comprehensive school counseling program that supports the academic, career, and social/emotional development of all students through the delivery of counseling content." Oversight notes this proposal states any such instructional model established by the local school district shall use the Missouri Comprehensive School Counseling program. Oversight assume no additional FTE or curriculum

ASSUMPTION (continued)

development would be required based on the DESE's response.

**Oversight** assumes there could be costs to school districts for course development, materials and teaching staff to implement this amendment. Oversight will show a range of impact to school districts from \$0 to an unknown cost beginning in FY 2021.

§178.530 Agricultural Education Pilot Program

In response to a previous version, officials from the **DESE** assumed this part of the proposal would result in no cost to their organization.

**Oversight** notes DESE currently has an agricultural education staff and agricultural curriculum content per their webpage on [Agricultural Education](#). Based on DESE's response, Oversight assumes DESE can absorb the administration of this proposal with existing resources.

In response to a previous version, officials from the **Wellsville-Middletown R-1 School District** assumed the proposal would have a negative fiscal impact on their organization.

In response to a previous version, officials from the **Lee's Summit R-7 School District** assumed this proposal would cost over \$50,000 due to instructional resources and FTE support.

In response to a previous version, officials from the **Francis Howell School District** and **Springfield Public Schools** assumed the proposal would have no fiscal impact on their organization.

**Oversight** notes a school district selected to participate in the pilot program shall agree to implement and fully fund the agricultural education program. Oversight notes some school districts indicated costs for course development, materials and teaching staff to implement this proposal. Oversight will show a range of cost to school districts from \$0 to unknown beginning in FY 2021.

Section 171.031 Delayed Start Date

In response to a similar proposal, Perfected HCS for HB Nos. 161 & 401 (2019), officials from **DESE** assumed the proposal would result in no cost to their organization.

In response to a similar proposal, Perfected HCS for HB Nos. 161 & 401 (2019), officials from the **Wellsville-Middletown R-1 School District** assumed this proposal would entail a lot of expense in terms of the time it will take to redo contracts, redo instructional schedules and it will have a negative impact on student achievement by causing the end of the 1st semester to be after

ASSUMPTION (continued)

the Christmas break after which students will need a lot of time to get prepared for end of semester finals.

In response to a similar proposal HB 401 (2019), officials from the **Francis-Howell School District** could not calculate a fiscal impact. However, they indicated the later start dates would make it impossible to complete the semester before Christmas Break, which creates a whole set of issues, academic and otherwise, that have to be dealt with.

In response to a similar proposal HB 401 (2019), officials from **Maries County R-1 School District** assumed this proposal would have a direct impact on our district as we are one of many districts that begin school before this date. Changes to the school calendar could be detrimental to student learning.

In response to a similar proposal, Perfected HCS for HB Nos. 161 & 401 (2019), officials from the **Springfield Public Schools** assumed this proposal would have no fiscal impact on their organization.

In response to a previous version, HB 161 (2019), officials from **Kirksville R-III School District** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal, HB 401 (2019), officials from the **Carondelet Learning Academy** assumed the proposal would have no fiscal impact on their organization.

**Oversight** notes this provision would set the opening day of school districts at no earlier than fourteen calendar days prior to the first Monday in September. Oversight assumes school districts that currently start before fourteen calendar days prior to the first Monday in September would be required to delay their start date. Oversight assumes there could be costs to delay a district's start date. Therefore, Oversight will show a range of no impact to an unknown cost.

Promulgate Rules

Officials from the **Office of the Secretary of State (SOS)** stated 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 \$5,000. 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

ASSUMPTION (continued)

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 require additional resources.

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

**Oversight** assumes JCAR will be able to administer any rules resulting from this proposal with existing resources.

Bill As A Whole

Officials from the **Department of Higher Education** and **Department of Public Safety - Missouri State Highway Patrol** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Springfield Public Schools** assume this proposal will cost in excess of \$4 million annually.

Officials from **Wellsville-Middletown R-1 School District** assume the proposal will result in a negative fiscal impact to implement in terms of staff and resources.

<u>FISCAL IMPACT -</u> <u>State Government</u>	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2024)
<b>GENERAL REVENUE (GR)</b>				
<u>Cost - STO -</u> administration of Bryce's Law Program §161.825 p. 5-7				
Personal Service	\$0	\$0 or (\$40,105 to \$231,081)	\$0 or (\$40,506 to \$233,392)	\$0 or (\$41,320 to \$238,083)
Fringe Benefits	\$0	\$0 or (\$24,832 to \$133,470)	\$0 or (\$24,954 to \$134,175)	\$0 or (\$25,331 to \$136,872)
Equipment and Expense	<u>\$0</u>	\$0 or (\$6,695 to <u>\$72,045</u> )	\$0 or (\$6,896 to <u>\$28,114</u> )	\$0 or (\$6,830 to <u>\$28,679</u> )
<u>Total Cost - STO</u>	\$0	\$0 or (\$71,632 to \$436,596)	\$0 or (\$72,356 to \$395,681)	\$0 or (\$73,481 to \$403,634)
FTE Change - STO	0	0 or 1 to 5 FTE	0 or 1 to 5 FTE	0 or 1 to 5 FTE
<u>Transfer Out - to the</u> School Turnaround Fund §161.1105 p. 7-8	\$0	\$0 or (Unknown, Could exceed \$216,666)	\$0 or (Unknown, Could exceed \$433,333)	\$0 or (Unknown, Could exceed \$1,300,000)
<u>Transfer Out - to the</u> School Intervention Fund §161.1110 p. 7-8	\$0	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Transfer Out - to the</u> School Recognition and Reward Fund §161.1120 p. 7-8	\$0	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Cost - for increase in</u> facility lease reimbursements §162.703 p. 8-10	\$0	\$0 to (\$954,160)	\$0 to (\$954,160)	\$0 to (\$954,160)

<u>FISCAL IMPACT - State Government</u>	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2024)
<b>GR Continued</b>				
<u>Transfer Out</u> - to the State School Moneys Fund §163.018 p. 11 to 12	\$0 or (Unknown, Could exceed \$100,000)	\$0 or (Unknown, Could exceed \$100,000)	\$0 or (Unknown, Could exceed \$100,000)	\$0 or (Unknown, Could exceed \$100,000)
<u>Cost</u> - DESE - ITSD costs (ranged from (\$12,000) to hiring additional FTE IT Specialist) §167.268 and §167.645 - p. 12 FTE Change - ITSD	(\$12,000) to <u>(\$66,632)</u> 0 or 1 FTE	\$0 to <u>(\$80,631)</u> 0 or 1 FTE	\$0 to <u>(\$81,312)</u> 0 or 1 FTE	\$0 to <u>(\$82,946)</u> 0 or 1 FTE
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b>(\$12,000 to Unknown, Could exceed <u>\$166,632</u>)</b>	<b>\$0 to (Unknown, Could exceed <u>\$1,788,053</u>)</b>	<b>\$0 to (Unknown, Could exceed <u>\$1,964,486</u>)</b>	<b>\$0 to (Unknown, Could exceed <u>\$2,840,740</u>)</b>
Estimated Net FTE Change for GR	0 or 1 FTE	0 to 6 FTE	0 to 6 FTE	0 to 6 FTE

FISCAL IMPACT -  
State Government  
Continued

Fully  
Implemented  
(FY 2024)

FY 2020

FY 2021

FY 2022

**COLLEGE &  
UNIVERSITY  
FUNDS**

Cost - to align literacy  
coursework  
§167.645.18 p. 14

\$0 or  
(Unknown)

\$0 or  
(Unknown)

\$0 or  
(Unknown)

\$0 or  
(Unknown)

**ESTIMATED NET  
EFFECT ON  
COLLEGE &  
UNIVERSITY  
FUNDS**

\$0 or  
(Unknown)

\$0 or  
(Unknown)

\$0 or  
(Unknown)

\$0 or  
(Unknown)

<u>FISCAL IMPACT -</u> <u>State Government</u> Continued	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2024)
<b>SCHOOL TURNAROUND FUND</b>				
<u>Transfer In</u> - from General Revenue §161.1105 p. 7-8	\$0	\$0 or Unknown, could exceed \$216,666	\$0 or Unknown, could exceed \$433,333	\$0 or Unknown, could exceed \$1,300,000
<u>Income</u> - gifts, contributions, bequests, or grants §161.1105 p. 7-8	\$0	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost</u> - payments to school turnaround experts and administration costs §161.1105 p. 7-8	<u>\$0</u>	\$0 or (Unknown, Could exceed <u>\$216,666</u> )	\$0 or (Unknown, Could exceed <u>\$433,333</u> )	\$0 or (Unknown, could exceed <u>\$1,300,000</u> )
<b>ESTIMATED NET EFFECT ON THE SCHOOL TURNAROUND FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>



<u>FISCAL IMPACT -</u> <u>State Government</u> Continued	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2024)
 <b>SCHOOL INTERVENTION FUND</b>				
<u>Transfer In - from</u> General Revenue §161.1110 p. 7-8	\$0	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Income - gifts,</u> contributions, bequests, or grants §161.1110 p. 7-8	\$0	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost - grants to local</u> educational agencies §161.1110 p. 7-8	<u>\$0</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
 <b>ESTIMATED NET EFFECT ON THE SCHOOL INTERVENTION FUND</b>	 <b><u>\$0</u></b>	 <b><u>\$0</u></b>	 <b><u>\$0</u></b>	 <b><u>\$0</u></b>

<u>FISCAL IMPACT -</u> <u>State Government</u> Continued	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2024)
 <b>SCHOOL RECOGNITION AND REWARD FUND</b>				
<u>Transfer In</u> - from General Revenue §161.1120 p. 7-8	\$0	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Income</u> - gifts, contributions, bequests, or grants §161.1120 p. 7-8	\$0	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost</u> - grants to local educational agencies §161.1120 p. 7-8	<u>\$0</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
 <b>ESTIMATED NET EFFECT ON THE SCHOOL RECOGNITION AND REWARD FUND</b>	 <b><u>\$0</u></b>	 <b><u>\$0</u></b>	 <b><u>\$0</u></b>	 <b><u>\$0</u></b>

FISCAL IMPACT -  
Local Government

Fully  
 Implemented  
 (FY 2024)

FY 2020                      FY 2021                      FY 2022

**LOCAL  
 POLITICAL  
 SUBDIVISIONS**

Loss - local political  
 subdivisions - loss of  
 revenue due to  
 inability to acquire  
 restricted property  
 §67.139 p. 4

\$0 or (Unknown)    \$0 or (Unknown)    \$0 or (Unknown)    \$0 or (Unknown)

Revenue - grants  
 from School  
 Intervention Fund  
 §161.1110 p. 7-8

\$0                      \$0 or Unknown    \$0 or Unknown    \$0 or Unknown

Revenue - grants  
 from School  
 Recognition Fund  
 §161.1120 p. 7-8

\$0                      \$0 or Unknown    \$0 or Unknown    \$0 or Unknown

Cost - administration  
 of School  
 Turnaround Program  
 p. 7-8

\$0                      \$0 or (Unknown)    \$0 or (Unknown)    \$0 or (Unknown)

Revenue - School  
 Districts - increase  
 in facility lease  
 reimbursements  
 §162.703 p. 8 -10

\$0                      \$0 to \$954,160    \$0 to \$954,160    \$0 to \$954,160

Cost - requirement  
 to establish gifted  
 programs §162.720  
 p. 10 - 11

\$0 or  
 (Unknown)                      \$0 or  
 (Unknown)                      \$0 or  
 (Unknown)                      \$0 or  
 (Unknown)

<u>FISCAL IMPACT -</u> <u>Local Government</u> Continued	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2024)
<u>Transfer In</u> - from State School Moneys Fund §163.018 p. 11- 12	\$0 or Unknown, Could exceed \$100,000	\$0 or Unknown, Could exceed \$100,000	\$0 or Unknown, Could exceed \$100,000	\$0 or Unknown, Could exceed \$100,000
<u>Cost</u> - School Districts and Charter Schools - implementation of reading intervention §167.268 § 167.645 p. 14	\$0	(Unknown, Could exceed \$61,588,421)	(Unknown, Could exceed \$61,588,421)	(Unknown, Could exceed \$61,588,421)
<u>Cost</u> - Municipality or School District - adult supervisor on municipal bus route §168.133 & §304.060 p. 14-17	\$0 or (Could exceed \$3,400)	\$0 or (Could exceed \$3,400)	\$0 or (Could exceed \$3,400)	\$0 or (Could exceed \$3,400)
<u>Cost</u> - Municipality - cost to modify municipal buses to meet inspection requirements §168.133 & §304.060 p. 14-17	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Savings</u> - School Districts - replacing a school bus route with a municipal bus route §168.133 & §304.060 p. 14-17	\$0 or Could exceed \$60,000	\$0 or Could exceed \$60,000	\$0 or Could exceed \$60,000	\$0 or Could exceed \$60,000

FISCAL IMPACT -  
Local Government

	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2024)
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<u>Cost - School Districts - social and emotional health education course development, materials and teaching staff - §170.020 p. 17</u>	\$0	\$0 to (Unknown)	\$0 to (Unknown)	\$0 or (Unknown)
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<u>Cost - School Districts - agricultural course development, materials and teaching staff - §178.530 p. 18</u>	\$0	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
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<u>Cost - School Districts - delayed start date §171.031 p. 18-19</u>	<u>\$0</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
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<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b>\$0 or Unknown, Could exceed \$100,000 to <u>(Unknown)</u></b>	<b>(Unknown, Could exceed, <u>\$60,474,261</u>)</b>	<b>(Unknown, Could exceed, <u>\$60,474,261</u>)</b>	<b>(Unknown, Could exceed, <u>\$60,474,261</u>)</b>
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FISCAL IMPACT - Small Business

Oversight assumes there could be a fiscal impact to small businesses as a result of this proposal.

## FISCAL DESCRIPTION

### Section 67.139 Property Transfers

This proposal prohibits a local political subdivision from enforcing, imposing, or administering an ordinance or policy that would restrict the use of property owned by the local political subdivision from being used by a charter school.

### 160.410 Free and Reduced Lunch Preference

This provision would allow Charter Schools to give preference for admission to students who are eligible for free and reduced lunch.

### Section 161.089 Special School Districts

This bill defines "accreditation standards" for Section 161.089, RSMo, and requires that the State Board of Education shall adopt modified accreditation standards for special school districts (SSD) to reflect the educational needs of SSD students by July 1, 2020.

### Section 161.825 Bryce's Law

This bill would modify the section of law known as "Bryce's Law" by changing the definition of "Department" from the Department of Elementary and Secondary Education (DESE) to the office of the State Treasurer. The bill also removes the Sunset Provision for Section 161.825, RSMo. This proposal has an effective date of July 1, 2020.

### Sections 161.1080 - 161.1130 School Turnaround Act

This bill establishes that Sections 161.1080 to 161.1130, RSMo shall be known as the "School Turnaround Act." The bill states beginning September 1, 2020 and subject to appropriations, the Department of Elementary and Secondary Education shall use an outcome-based measure to set criteria for the designation of schools in need of intervention and specifies a time line for the initial remedial year (Section 161.1090 and Section 161.1095).

The bill specifies that before August 30, 2020, the department must identify two or more approved independent school turnaround experts of which schools in need of intervention may partner. The bill specifies that the department shall award contracts to independent school turnaround experts and that governing boards shall not be required to pay independent school turnaround experts. The bill also establishes the "School Turnaround Fund" for the payment of contracts (Section 161.1105).

The bill specifies that the department shall review school turnaround plans within 30 days of submission. Criteria for approval is specified in the bill as well as an appeal process. The bill establishes the "School Intervention Fund," to fund interventions identified in approved school turnaround plans (Section 161.1110).

FISCAL DESCRIPTION (continued)

The bill specifies that a school in need of intervention that does not meet the exit criteria within three school years may petition the department for an extension to continue school improvement efforts for up to two years (Section 161.1115).

Section 162.703 Lease Agreements

Under this act, the Department of Elementary and Secondary Education shall not limit the reimbursement rate to school districts for early learning program facility lease agreements for any lease agreement entered into by a school district before March 2, 2015.

Section 162.720 Gifted Programs

This bill requires school districts to establish a state-approved gifted program if 3% or more of the students are determined to be gifted. Districts with average daily attendance of 350 or fewer students are not required to have a teacher certificated to teach gifted education, but any teacher providing gifted instruction without a gifted-teaching certificate must participate in six hours per year of professional development regarding gifted services.

Section 163.018 Early Childhood Education Contracts

This bill expands the eligibility of children between the age of three and five to qualify for a district's or charter school's calculation of average daily attendance if they attend an early childhood education program under contract with a school. Contracted programs must follow standards as outlined in the bill, and be established by the State Board of Education. Staff members must undergo a background check (Section 168.133, RSMo).

Sections 167.268 and 167.645 Reading Intervention

This act modifies current law regarding reading success plans, formerly known as reading intervention programs. Each local school district and charter school shall have on file a policy for reading success plans for any pupils of the district in grades kindergarten through four, rather than through grade three. Each policy shall be aligned with the guidelines developed by the Department of Elementary and Secondary Education for reading intervention plans. Authority to develop guidelines to assist school districts and charter schools in formulating policies for reading intervention plans is transferred from the State Board of Education to the Department. Any guidelines for instruction must meet the needs of the student by ensuring that instruction is explicit and systematic and is based on the five areas of reading. Pre- and post-assessments are necessary to measure student success.

Each local school district and charter school is required to include in an individual pupil's reading success plan, individual and small group reading development activities. The plan shall be developed after consultation with the pupil's parent or legal guardian. Under current law, such

FISCAL DESCRIPTION (continued)

provisions are not mandatory.(Section 167.268)

Under current law, each school district and charter school shall administer a reading assessment to each student within 45 days of the end of the third-grade year, unless a student has been determined in the current school year to be reading at grade level or above. Under this act, each school district and charter school shall administer a reading assessment or set of assessments to each student within the first 30 days of school for grades one through four, and by January 31 for kindergarten, unless a student has been determined in the previous school year to be reading at grade level or above. School districts and charter schools shall provide reading success plans to students with an individualized education plan (IEP) that have a reading deficiency, and for students receiving services under the Rehabilitation Act of 1973 whose services plan includes an element addressing reading.

This act removes the requirement that school districts and charter schools design a reading success plan for the student's fourth-grade year if the student's third-grade reading assessment determines the student is reading below second-grade level. The provision is replaced with a requirement that school districts and charter schools offer a reading success plan to each K-4 student who exhibits a reading deficiency that has been identified as being at risk for dyslexia in the statewide dyslexia screening requirement, or has a formal diagnosis of dyslexia. The reading success plan shall be provided in addition to the core reading instruction provided to all students, and shall meet criteria set forth in the act.

Any K-4 student who exhibits a deficiency in reading at any time, based upon local or statewide screening assessments, shall receive an individual reading success plan no later than 30 days after the identification of the deficiency. Such plan shall be created by the teacher and other pertinent school personnel, along with the parent or legal guardian, and shall describe the evidence-based reading improvement services the student shall receive. The reading success plan shall specify if a student was found to be at risk for dyslexia in the statewide dyslexia screening requirement or if the student has a formal diagnosis of dyslexia.

Under this act, beginning with the 2020-2021 school year, students who are not reading at grade level by the end of the second grade shall receive intensive reading intervention to remedy the student's specific reading deficiency. Each school district and charter school shall conduct a review of student reading success plans for all students who are not reading at grade level by the end of the second grade, and shall address additional support services needed to remedy the areas of deficiency. School districts and charter schools shall provide improvement and support services set forth in the act.



FISCAL DESCRIPTION (continued)

School districts and charter schools are required, under this act, to provide an intensive acceleration for any student not reading proficient or above on a local or statewide third-grade reading assessment and has a reading success plan, and shall meet certain criteria set forth in the act. Under current law, each student for whom a reading success plan has been designed shall be given another reading assessment to be administered within 45 days of the end of the student's fourth-grade year. If such student is determined to be reading below third-grade level, the student shall be required to attend summer school to receive reading instruction.

The mandatory process of additional reading intervention for reading support outside the regular school day and school year shall cease at the end of the sixth grade. If the student is still not reading at grade level upon completion of the sixth grade, the school district and charter school shall continue to provide a reading success plan to be implemented during the regular school day until such time as the student is reading at grade level, or upon graduation from high school. Each school district and charter school is required to offer summer school reading instruction to any student with a reading success plan. Districts may fulfill the requirement through cooperative arrangements with neighboring districts or virtual schools.

The parent or legal guardian of any student who exhibits a deficiency in reading shall be notified in writing no later than 30 school days after identification of the deficiency. The written notification shall meet certain requirements set forth in the act.

This act requires the board of each school district and charter school to post, by September 1 of each year, by building, the number and percentage of all students in grades 3-8 scoring at each proficiency level on the English language arts statewide assessment; by building, the number and percentage of all students in grades 3-8 in each demographic category scoring proficiency level on the English language arts statewide assessment; by district, the number and percentage of all students in grades 3-8 scoring at each proficiency level on the English language arts statewide assessment; and by district, the number and percentage of all students in grades 3-8 in each demographic category scoring at each proficiency level on the English language arts statewide assessment.

The Department is also required to report the information in a state-level summary to the State Board of Education, the public, the Governor, and the Joint Committee on Education by October 1 of each year.

This act also repeals provisions of law relating to mandatory retention for reading deficiencies.

FISCAL DESCRIPTION (continued)

Sections 168.133 and 304.060 Transportation Contracts with Municipalities

This bill modifies criminal background checks of school bus drivers to include those drivers employed by municipalities or any other entity under contract with a school district.

The bill authorizes school boards to contract with municipalities to transport high school children. The contract shall require the presence of an adult supervisor approved by the school board on any municipal vehicle transporting school children. While transporting school children, municipal vehicles shall include seating designated solely for school children.

Section 170.020 - Social and Emotional Health Pilot Program

This proposal authorizes DESE to establish a voluntary pilot program, beginning in the 2020-2021 school year, to provide for social and emotional health education in elementary schools.

Section 178.530 Agricultural Education Pilot Program

Under this act, the Department of Elementary and Secondary Education is authorized to develop a pilot program, beginning in the 2020-2021 school year, to provide for agricultural education in elementary schools in the state. The purpose of the program is to determine whether and how to implement an elementary agricultural education program statewide.

The Department shall select a minimum of one public elementary school from each of the 16 geographic areas across the state designated by the Department. In determining such areas, the Department may use the sixteen Future Farmers of America Association areas. The local school board for each elementary school selected to be in the pilot program shall agree to implement and fully fund an elementary agricultural education program in such school and to continue to provide such elementary agricultural education program for a period of at least 3 years. The local school district may employ an agricultural education teacher to provide such program for the elementary school.

The Department and local school districts shall collaborate to establish the curriculum for each elementary agricultural education program, and such curriculum must meet the criteria set forth in the act.

The Department shall provide for a program evaluation regarding the success and impact of the pilot program and shall report the results of such evaluation to the relevant House and Senate committees on agriculture and education.

The Department is required to maintain an adequate number of full-time employees, certified in agricultural education and distributed regionally throughout the state

FISCAL DESCRIPTION (continued)

Section 171.031 Delayed Start Date

Beginning with school year 2020-21, this bill modifies the law governing school start dates by removing the option that school districts may set an opening date more than 14 calendar days prior to the first Monday in September.

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 State Treasurer  
Department of Higher Education  
Department of Public Safety - Missouri State Highway Patrol  
Missouri Department of Transportation  
Carondelet Learning Academy  
Kirksville R-III School District  
Maries County R-1 School District  
Francis Howell School District  
Lee's Summit R-7 School District  
Springfield Public Schools  
Bakersfield R-IV School District  
Wellsville-Middletown R-1 School District  
Blue Springs School District  
City of Kansas City  
City of Keytesville  
City of Columbia  
Monroe County Assessor  
Greene County  
Missouri State University  
University of Central Missouri  
University of Missouri System

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SOURCES OF INFORMATION (continued)

State Technical College of Missouri  
Joint Committee on Administrative Rules  
Office of the Secretary of State



Kyle Rieman  
Director  
May 6, 2019

Ross Strope  
Assistant Director  
May 6, 2019