

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4904S.02I
Bill No.: SB 1175
Subject: Education, Elementary and Secondary; Department of Elementary and Secondary Education; Teachers
Type: Original
Date: April 4, 2022

Bill Summary: This proposal requires the Department of Elementary and Secondary Education to develop a patriotic and civics training program for teachers.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
General Revenue*	(Unknown, \$36,045,000 to Could exceed \$212,393,000)	(Unknown)	(Unknown)
Total Estimated Net Effect on General Revenue	(Unknown, \$36,045,000 to Could exceed \$212,393,000)	(Unknown)	(Unknown)

*Oversight is reflecting a range of impact of \$35,895,000 (5 teachers per school building x \$3,000) to the potential estimate provided by DESE of \$211,893,000 (total public school teacher population x \$3,000) in the first year and an unknown cost for new teachers entering the field in future years.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 170.370 - Patriotic and Civics Training Program for Teachers

Officials from **Department of Elementary and Secondary Education (DESE)** state assuming all active teachers participate in this training, and based on the 2020-2021 school year data of 70,631 teachers; at a cost of \$3,000 per teacher, the estimated cost to DESE is \$211,893,000. Please note, this number does not include any private school teachers who may take this training. Nor does this number include the number of new teachers entering the field who may participate in this training.

Because DESE does not have any information to determine the number of teachers that may participate, it will show a range of \$0 - \$211,893,000.

Per legislation, each elementary and secondary education teacher that completes the training program shall receive a one-time bonus of three thousand dollars from the department. In order to comply with this language, DESE will need to develop a system to track the number of teachers who participate in the training. DESE estimates the cost to develop and maintain this system between \$150,000 and \$500,000 per ITSD.

Oversight assumes this proposal offers a one-time bonus of \$3,000 for teachers to participate in the program. Oversight notes the following costs based on differing levels of participation:

Percentage of Participation	Number of Participants	Costs
1% of Teacher's Participation	706	\$2,118,000
5% of Teacher's Participation	3,532	\$10,596,000
10% of Teacher's Participation	7,063	\$21,189,000

Oversight notes there are 2,393 school buildings in Missouri. Oversight assumes if there were 5 teachers per building that may teach civics or be allowed to apply for the training, the estimated cost would be \$35,895,000 ($2,393 * 5 = 11,965$; $11,965 * \$3,000 = \$35,895,000$).

Oversight is uncertain how many teachers would participate on an annual on-going basis but assumes the participation level could be high given the financial incentive. Oversight will show a range of impact of \$35,895,000 (5 teachers per school building) to the estimate provided by DESE of \$211,893,000 (total teacher population) in the first year and an unknown cost for new teachers entering the field in future years. Oversight assumes the cost could exceed the estimate provided by DESE if the bonus is available to private school teachers.

Oversight will show the development costs as estimated by DESE-ITSD as a one-time cost occurring in FY 2023 with unknown maintenance costs occurring in future years.

Rule Promulgation

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

Officials from the **Office of the Secretary of State (SOS)** note 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 office can sustain with its 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.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
GENERAL REVENUE			
<u>Costs</u> - one-time bonus paid to teachers for completing the training §170.370	(Unknown, \$35,895,000 to Could exceed \$211,893,000)	(Unknown)	(Unknown)
<u>Costs</u> - ITSD costs to develop and maintain a tracking system for the training program - §170.370	(\$150,000 to \$500,000)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE	(Unknown, \$36,045,000 to Could exceed \$212,393,000)	(Unknown)	(Unknown)

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

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

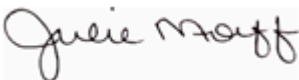
FISCAL DESCRIPTION

This act requires the Department of Elementary and Secondary Education to develop a patriotic and civics training program for teachers based upon The 1776 Report. Each teacher that completes the program shall receive a one-time bonus of \$3,000.

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 Secretary of State
Joint Committee on Administrative Rules



Julie Morff
Director
April 4, 2022



Ross Strobe
Assistant Director
April 4, 2022