

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 2338-03
BILL NO.: SCS For SBs 584, 539, 630, 777, 796, 918 & 927
SUBJECT: Education, Elementary and Secondary: Education Programs
TYPE: Original
DATE: March 13, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue*	(\$4,909,448 to \$17,067,424)	(\$5,048,706 to \$17,571,421)	(\$5,236,158 to \$18,134,554)
State School Moneys	(GREATER THAN \$100,000)	(GREATER THAN \$100,000)	(GREATER THAN \$100,000)
Special Education Parental Training	\$0	\$0	\$0
Gaming Proceeds for Education or Gaming Commission or Lottery Proceeds	(\$0 to \$13,948,647)	(\$0 to \$14,297,363)	(\$0 to \$14,654,797)
Excellence in Education	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds*	(\$5,009,448 TO \$31,116,071)	(\$5,148,706 TO \$31,968,784)	(\$5,336,158 TO \$32,889,351)

*Excludes unknown cost for math grants exceeding \$100,000 annually.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	(UNKNOWN) TO GREATER THAN \$3,288,300	(UNKNOWN) TO GREATER THAN \$3,438,285	(UNKNOWN) TO GREATER THAN \$3,592,750

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

FISCAL ANALYSIS

ASSUMPTION

Math Grant Program

Officials from the **Department of Elementary and Secondary Education (DESE)** assume DESE would require a supervisor and senior secretary to adequately staff the program. Additionally, there would be some information technology (IT) costs associated with developing a web-based application process.

The grant amounts to be distributed by the program are not specified. For the program to be significant the amount to be appropriated for this purpose is assumed to be in excess of \$100,000; however an unknown cost is assumed by DESE.

DESE officials assume one FTE Supervisor (\$47,611) and one FTE Senior Secretary (\$24,176) would be needed to develop the application, evaluate applications, administer grants and answer questions.

The **Oversight Division** assumes the Supervisor could administer the grant program with existing secretarial staff. Therefore, Oversight has excluded the Senior Secretary from the fiscal impact section. Oversight has also excluded travel costs of \$4,500 annually, assuming the grant would be administered with minimal travel.

DESE IT section would be required to develop and maintain software. This is estimated to cost \$83,200 the first year. Additionally, OIT charges an 8% project management fee (\$6,656). Maintenance costs for subsequent years are estimated to be 15% of this amount in subsequent years. The **Oversight Division** assumes the grant software could be modeled after existing DESE grant programs and could be developed and maintained with existing DESE resources.

ASSUMPTION (continued)

DESE officials assume increased state money would go to school districts successfully applying for grants. The amount of local assistance would depend on the amount appropriated by the General Assembly for grants and awarded to applicants.

Assessments Without Charge

Officials from the **Department of Elementary and Secondary Education (DESE)** estimate the fiscal impact as follows:

FY 2001

Math-Science-Communication Arts-Social Studies

$$\$1.90 \times 4 \text{ (subject areas)} \times 195,000 \text{ (students in 3 grade levels)} = \$1,482,000$$

Fine Arts

$$\$8.50 \times 65,000 \text{ (students in 1 grade level)} = \$ 552,500$$

Health/Physical Education

$$\$6.50 \times 130,000 \text{ (students in 2 grade levels)} = \$ 845,000$$

$$\text{TOTAL FY 2001} \quad \$2,879,500$$

FY 2002

Math-Science-Communication Arts-Social Studies

$$\$1.90 \times 4 \text{ (subject areas)} \times 195,000 \text{ (students in 3 grade levels)} = \$1,482,000$$

Fine Arts

$$\$8.50 \times 65,000 \text{ (students in 1 grade level)} = \$ 552,500$$

Health/Physical Education

$$\$6.50 \times 130,000 \text{ (students in 2 grade levels)} = \$ 845,000$$

$$\text{TOTAL FY 2002} \quad \$2,879,500$$

$$\text{Inflation adjustment} \quad \underline{\times \quad 1.03}$$

$$\text{TOTAL FY 2002} \quad \$2,965,885$$

FY 2003

Math-Science-Communication Arts-Social Studies

$$\$1.90 \times 4 \text{ (subject areas)} \times 195,000 \text{ (students in 3 grade levels)} = \$1,482,000$$

Fine Arts

$$\$8.50 \times 65,000 \text{ (students in 1 grade level)} = \$ 552,500$$

Health/Physical Education

$$\$6.50 \times 130,000 \text{ (students in 2 grade levels)} = \$ 845,000$$

$$\text{TOTAL FY 2003} \quad \$2,879,500$$

$$\text{Inflation adjustment} \quad \underline{\times \quad 1.06}$$

$$\text{TOTAL FY 2003} \quad \$3,052,270$$

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ASSUMPTION (continued)

DESE officials assume the state reimbursement for these costs represents a cost savings to local public school districts.

Drivers' Education Course

Officials from the **Department of Revenue, Department of Public Safety Divisions of Highway Safety and Highway Patrol, and Department of Insurance** assume the proposal would result in no fiscal impact to the agencies.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume an enrollment figure of 11,360 students per year: $11,360 \times \$80 = \$908,800$.

DESE officials assume this enrollment figure would increase 7% for 2002 and 2003.

DESE officials assume that if the \$80 is enough of an incentive for school districts to make all students take drivers' education courses, then the enrollment figure could rise significantly. For example, if all sophomores were enrolled in a drivers' education course and all completed the course, payment levels could rise to be as high as \$5,487,520 (68,594 students \times \$80).

The moneys disbursed by DESE under the bill would be a revenue stream to local school districts.

Board of Education Election

Officials from the **Department of Elementary and Secondary Education (DESE)** assume the proposal would result in no fiscal impact to DESE or local public school districts.

Missouri School for the Deaf

Officials from the **Department of Social Services** assume the proposal would result in no fiscal impact to the agency.

Officials from the **Secretary of State's Office (SOS)** assume the rules, regulations and forms issued by the State Board of Education could require as many as approximately 6 pages in the Code of State Regulations. For any given rule, roughly half again as many pages are published in the Missouri Register as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the Missouri Register is \$22.50. The estimated cost of a page in the Code of State Regulations is \$26.50. The

ASSUMPTION (continued)

actual costs could be more or less the SOS's estimated cost of \$361.50 for FY 2001. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn. **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. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Elementary and Secondary Education (DESE)** estimate the fiscal impact as follows:

1. Computation of proportionate share for MSD:

- FY00 GR allocation = \$6,282,569
- 12-99 childcount = 142
- Thus, per pupil proportionate share = \$44,243

2. Number of MO children, ages 0 thru 21, by level of hearing loss:

(Ref: Annual Study of Deaf and Hard of Hearing Youth, Gallaudet Research Institute, 12/99.)

20-70 decibel loss = 298

70+ decibel loss = 387 (subtract MSD population of 142) = 245

Calculation:

1. Proportionate share distribution for children 20-70 decibel loss = \$1,318,441 (298 * (\$44,243 * 0.1))

2. Proportionate share distribution for children with 70+ decibel loss = \$10,839,535 (245 * \$44,243).

TOTAL COST OF PROVISIONS:

\$1,318,441 + \$10,839,535 = \$12,157,976 (Subsequent years assume 3% inflation factor)

FY 2001	FY 2002	FY 2003
\$12,157,976	\$12,522,715	\$12,898,396

The proposal states the costs of the placements, educational services or resources must be paid and documented by the parents or legal guardians of the child.

ASSUMPTION (continued)

DESE officials assume parents and guardians of children in public schools may not incur additional costs; however, parents and guardians of children receiving private services could incur reimbursable costs. Therefore, the **Oversight Division** has ranged the costs calculated by DESE from zero in the fiscal impact section.

Parental Training

Officials from the **State Treasurer's Office** assume the proposal would result in no fiscal impact to the agency.

Officials from the **Department of Elementary and Secondary Education (DESE)** estimate the fiscal impact as follows:

1. A half-time Supervisor (0.5 FTE) would be needed. Estimated Cost = \$38,829.
2. Reimbursement for products and activities of Parent Training and Information Center (PTIC) and the Missouri Council of Administrators of Special Education (MOCASE). Estimated cost = \$50,000.
3. The Division of Special Education would award competitive grants to schools for parent training and information activities. Estimated costs assume 50 districts receiving grants averaging \$5,000 in the first year of the program. Estimated Cost = \$250,000.
4. The legislation indicates that the lead agency would receive an amount of the appropriation equal to the proportion that Part C beneficiaries are of all children with disabilities, ages 0 to 22. At present, that proportion is approximately 1.9 percent. Estimated Cost = \$6,500.
5. Information Technology (IT) costs for altering the existing web page application would be as follows:
 - \$25,000 Design, implementation and testing
 - \$ 2,000 8% project management fee
 - \$27,000

Maintenance costs for subsequent years are estimated by DESE to be 15% of \$25,000, which equals \$3,750.

The **Oversight Division** assumes DESE could administer the grant with existing grant resources.

Minimum Salary

Officials from the **Public School Retirement System and Non-Teacher School Employee Retirement System** assume the legislation would not affect the systems.

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ASSUMPTION (continued)

The **Joint Committee on Public Employee Retirement (JCPER)** has reviewed this proposal and has determined an actuarial study is not needed under the provisions of section 105.660, subdivision (5).

Officials from the **Gaming Commission** assume the proposal would result in no fiscal impact to the agency. However, Gaming Commission officials estimated increases in adjusted gross receipts and admission fees from FY 2000 to FY 2001 to be approximately \$1,933,404 and \$5,846,519, respectively.

Officials from the **Secretary of State's Office (SOS)** assume the rules, regulations and forms issued by the State Board of Education could require as many as approximately 10 pages in the Code of State Regulations. For any given rule, roughly half again as many pages are published in the Missouri Register as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the Missouri Register is \$22.50. The estimated cost of a page in the Code of State Regulations is \$26.50. The actual costs could be more or less the SOS's estimated cost of \$602.50 for FY 2001. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn. **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. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Office of Administration - Budget and Planning** state the proposal would not result in any impact on Total State Revenues or any fiscal impact on the Office of Administration.

Officials from the **Lottery Commission** state the Missouri Lottery FY 2000 profit is \$150 million. The FY 2001 estimated profit is \$154.5 million. Therefore, the Lottery anticipates increased profit of \$4.5 million in FY 2001 over FY 2000.

Officials from the **Department of Elementary and Secondary Education (DESE)** estimate the fiscal impact as follows:

Excellence in Education Fund

Proposed Section 163.172.6 sets the criteria for a district to be eligible to receive the supplemental state funds for the minimum salary. If the salary supplement is not fully funded then provision for prorating teacher salary supplements is made.

JM:LR:OD:005 (9-94)

ASSUMPTION (continued)

For purposes of this fiscal note, 100% funding of the supplement is assumed.

Estimate of Salary Supplement Required

Baccalaureate

0-5 yrs	\$22,000	\$2,401,332	(1,885 FTE)
6-19 yrs	\$25,000	\$2,301,107	(1,326 FTE)
greater than 19 yrs	\$28,000	\$1,305,127	(606 FTE)

Masters or equivalent

greater than 10 yrs	\$28,000	\$ 510,947	(356 FTE)
greater than 19 yrs	\$34,000	\$3,381,229	(1,083 FTE)
greater than 29 yrs	\$40,000	\$1,884,196	(359 FTE)

Salary supplement estimate:	\$11,783,938
Retirement match estimate:	<u> X 10.5%</u>
Total estimate:	\$13,021,251

A 3% inflation factor was applied for FYs 2002 and 2003; these costs are estimated to be \$13,411,889 for FY 2002 and \$13,814,245 for FY 2003.

The **Oversight Division** calculated fringe benefits at 18.37% to include retirement, FICA, unemployment and worker's compensation on the salary increases. Salary inflation was calculated at 2.5%; therefore, costs would be as follows:

FY 2001: $\$11,783,938 + (\$11,783,938 \times 0.1837) = \$13,948,647$
 FY 2002: $\$11,783,938 \times 1.025 = \$12,078,536 + (\$12,078,536 \times 0.1837) = \$14,297,363$
 FY 2003: $\$12,078,536 \times 1.025 = \$12,380,499 + (\$12,380,499 \times 0.1837) = \$14,654,797$

By FY01 and beyond the additional dollars needed will change because teachers may move into other categories than those they were in during FY00.

HB 1958 proposed Section 163.172.6 appears to make it optional rather than mandatory for a district to participate in the minimum salary levels as well as the state funding supplements. Apparently, a district could continue with the existing \$18,000 minimum and \$24,000 minimum for teacher with 10 years public experience and a master's degree.

ASSUMPTION (continued)

As a condition for receiving the state supplement proposed Section 163.172.8(6) appears to require a local board to give a teacher who is a new employee of the district credit for all previous years of public teaching experience. Currently, local boards set their own policy on the number of years credit from previous employment that will be granted.

DESE officials assume the increase in minimum salary requirements does not increase the Career Ladder cost. However, the Career Ladder supplement a teacher may receive cannot be used to meet the minimum salary requirement for that teacher.

General Revenue Fund

A program would need to be written to identify the teachers in each category, the amount of salary supplement required, and the eligibility criteria for receiving the money. Therefore, DESE would incur an IT impact estimated to be \$25,000 in its first year, and 15% estimated maintenance costs for FYs 2002 and 2003. Additionally, OIT requires an 8% project development fee for the first year.

The proposal states that the salary supplements would be funded from “increases in state revenues from taxation of riverboat gaming operations, including boarding fees and lottery proceeds, compared to the amount of these revenues appropriated in fiscal year 2000.” Section 313.822, RSMo., directs the adjusted gross receipts tax from gambling games to the Gaming Proceeds for Education Fund. Section 313.835, RSMo., directs gambling boat admission fees to the Gaming Commission Fund. Article III, Section 39(b), of the Constitution of Missouri directs lottery net proceeds after payment of prizes and administrative expenses to the Lottery Proceeds Fund for elementary, secondary and higher education. Gaming Commission Fund net proceeds are earmarked under current law. However, for purposes of this fiscal note, the **Oversight Division** assumes the salary supplement funding would be transferred from either the Gaming Proceeds for Education Fund, the Gaming Commission Fund or the Lottery Proceeds for Education Fund to the Excellence in Education Fund, which is the fund required to pay salary supplements per Section 163.172.7 of the proposal. Oversight has ranged DESE’s estimated costs from zero, since the funding would depend on increases from FY 2000.

Reading Assessments

Officials from the **Department of Elementary and Secondary Education (DESE)** assume there could be some additional state aid going to school districts due to a potential increase in summer school enrollments; however, an amount is not known. On a statewide basis, the amount would likely be in excess of \$100,000. This would affect the State School Moneys Fund.

ASSUMPTION (continued)

DESE officials assume the proposal would create reading level assessments for public school students beginning in the 3rd grade. Remediation would be required if the pupil is determined to be deficient in reading skills. Additional costs would be incurred for development of a plan, remediation, and assessments that would continue until acceptable reading standards would be achieved. Assuming that districts would bear this cost, the fiscal impact to local districts of this provision would be expected to be in the area of \$500,000.

Districts could receive an increase in foundation formula money to offset the summer school reading instruction cost if there would be an increase in summer school participation. DESE officials were unable to determine fiscal impact of the summer school program since some of the students are already enrolled in summer school.

College and University Governing Boards - Faculty Member Representatives

Officials from **Truman State University, Harris-Stowe State College and Missouri Western State College** assume the proposal would result in no fiscal impact to the agencies.

Officials from the **University of Missouri** assume the proposal would result in little or no fiscal impact on the university.

Officials from **Linn State Technical College** state that from a long-range standpoint this legislation would potentially disrupt the teaching schedule, disclose closed session information that has previously been discussed only among board members and the president of the college and would potentially increase the cost of off-campus meetings.

Officials from the **Coordinating Board For Higher Education (CBHE)** assume the proposal would result in no fiscal impact to the CBHE. However, CBHE officials assume there would be a minor impact on affected institutions for the expense of an additional board representative.

The **Oversight Division** assumes additional board expenses would be minimal and could be absorbed by the affected institutions.

Missouri Engineering and Science Academy

Officials from the **Department of Natural Resources and Department of Social Services** assume the proposal would result in no fiscal impact to the agencies.

ASSUMPTION (continued)

Officials from the **Coordinating Board For Higher Education (CBHE)** assume there would be no fiscal impact on the CBHE. However, there would certainly be a fiscal impact on the University of Missouri as the Rolla campus would be responsible for developing and funding the MESA. There would also be a fiscal impact associated with the faculty developing and funding the in-service teachers program. While there would not be an impact on the CBHE, the costs to the University of Missouri -Rolla would likely be seen in future CBHE appropriation requests. CBHE officials assume there would be a potential impact on the Department of Elementary and Secondary Education.

Officials from the **Department of Elementary and Secondary Education (DESE)** estimate the fiscal impact as follows:

DESE assumes that these programs would be structured similar to the Missouri Fine Arts Academy:

- 1) A 3-week academy of 220 student participants costs approximately \$320,000.
- 2) The professional development piece for in-service science teachers is estimated to cost approximately \$50,000.
- 3) It is assumed that the state would pay for all costs.

Total cost of this legislation is estimated to be about \$370,000, beginning FY 2001. This amount is increased by 3% per year to provide an inflation adjustment.

Officials from the **University of Missouri** estimate the minimum costs to the university would be approximately \$380,000 per 100 public school teachers. This includes costs for University of Missouri Rolla faculty, public school teachers and general supplies. The **Oversight Division** has reduced this cost by \$50,000, assuming the cost for in-service science teachers was included in DESE's estimate.

College and University Governing Boards - Student Representatives

Officials from the **Coordinating Board For Higher Education (CBHE)** assume the proposal would result in no fiscal impact on the CBHE; however, a minimal fiscal impact would result to institutions that do not currently reimburse the expenses of student board representatives. The Oversight Division assumes these expenses could be absorbed by the institutions.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
GENERAL REVENUE FUND			
<u>Cost-General Revenue Fund</u>			
Appropriations to the Special Education Parental Training Fund	(\$333,500)	(\$319,445)	(\$329,029)
<u>Cost-Department of Elementary and Secondary Education</u>			
Personal Services (1 FTE)	(\$40,651)	(\$50,021)	(\$51,272)
Fringe Benefits	(\$12,500)	(\$15,381)	(\$15,766)
Expense and Equipment	(\$7,497)	(\$824)	(\$848)
Math Grants	(Unknown)	(Unknown)	(Unknown)
Assessment Tests	(\$2,879,500)	(\$2,965,885)	(\$3,052,270)
Drivers' Education	(\$908,800)	(\$972,400)	(\$1,040,480)
Programming (Minimum Salaries)	(\$27,000)	(\$3,750)	(\$3,863)
Student Participants in MESA	(\$320,000)	(\$329,600)	(\$339,488)
In-Service Science Teachers	(\$50,000)	(\$51,500)	(\$53,045)
State Aid to Parents of Deaf Children	(\$0 to <u>\$12,157,976</u>)	(\$0 to <u>\$12,522,715</u>)	(\$0 to <u>\$12,898,396</u>)
Total <u>Cost-DESE</u>	(\$4,245,948 to \$16,403,924)	(\$4,389,361 to \$16,912,076)	(\$4,557,032 to \$17,455,428)
<u>Cost-University of Missouri Rolla</u>			
MESA and Science Summer Program	(\$330,000)	(\$339,900)	(\$350,097)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND*	(\$4,909,448 to <u>\$17,067,424</u>)	(\$5,048,706 to <u>\$17,571,421</u>)	(\$5,236,158 to <u>\$18,134,554</u>)

***Excludes unknown cost for math grants.**

STATE SCHOOL MONEYS FUND

<u>Cost-Department of Elementary and Secondary Education (DESE)</u>			
State Aid for Summer School (Reading)	(GREATER THAN <u>\$100,000</u>)	(GREATER THAN <u>\$100,000</u>)	(GREATER THAN <u>\$100,000</u>)

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<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
SPECIAL EDUCATION PARENTAL TRAINING FUND			
<u>Income-Department of Elementary and Secondary Education (DESE)</u>			
Appropriations from General Revenue	\$333,500	\$319,445	\$329,029
<u>Cost-Department of Elementary and Secondary Education (DESE)</u>			
IT Expense	(\$27,000)	(\$3,750)	(\$3,863)
PTIC and MOCASE expenses	(\$50,000)	(\$51,500)	(\$53,045)
Grants	(\$250,000)	(\$257,500)	(\$265,225)
Lead Agency	<u>(\$6,500)</u>	<u>(\$6,695)</u>	<u>(\$6,896)</u>
Total <u>Cost-DESE</u>	(\$333,500)	(\$319,445)	(\$329,029)

ESTIMATED NET EFFECT ON SPECIAL EDUCATION PARENTAL FUND

	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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GAMING PROCEEDS FOR EDUCATION FUND OR GAMING COMMISSION FUND OR LOTTERY PROCEEDS FOR EDUCATION FUND

<u>Cost-Gaming Proceeds for Education Fund or Gaming Commission Fund or Lottery Proceeds for Education Fund</u>			
Transfer to Excellence in Education Fund	(\$0 to <u>\$13,948,647</u>)	(\$0 to <u>\$14,297,363</u>)	(\$0 to <u>\$14,654,797</u>)

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<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
EXCELLENCE IN EDUCATION FUND			
<u>Income-Department of Elementary and Secondary Education (DESE)</u>			
Transfer from Gaming Proceeds for Education Fund or Gaming Commission Fund or Lottery Proceeds for Education Fund	\$0 to \$13,948,647	\$0 to \$14,297,363	\$0 to \$14,654,797
<u>Cost-Department of Elementary and Secondary Education (DESE)</u>			
Salary Supplements to School Districts	(\$0 to \$11,783,938)	(\$0 to \$12,078,536)	(\$0 to \$12,380,499)
Fringe Benefits	(\$0 to \$2,164,709)	(\$0 to \$2,218,827)	(\$0 to \$2,274,298)
Total <u>Cost-DESE</u>	(\$0 to \$13,948,647)	(\$0 to \$14,297,363)	(\$0 to \$14,654,797)
ESTIMATED NET EFFECT ON EXCELLENCE IN EDUCATION FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
SCHOOL DISTRICTS			
<u>Income-School Districts</u>			
Math Grants from DESE	Unknown	Unknown	Unknown
Drivers' Education	\$908,800	\$972,400	\$1,040,480
Parent Training Grants	\$250,000	\$257,500	\$265,225
Salary Supplements	\$0 to \$13,948,647	\$0 to \$14,297,363	\$0 to \$14,654,797
State Aid For Summer School (Reading)	GREATER THAN \$100,000	GREATER THAN \$100,000	GREATER THAN \$100,000
Total <u>Income-School Districts</u>	GREATER THAN \$1,258,800 TO \$15,207,447	GREATER THAN \$1,329,900 TO \$15,627,263	GREATER THAN \$1,405,705 TO \$16,060,502
<u>Savings-School Districts</u>			
Assessment Tests	\$2,879,500	\$2,965,885	\$3,052,270
<u>Cost School Districts</u>			
Math Grant Match	(Unknown)	(Unknown)	(Unknown)
Mastering Math Program	(Unknown)	(Unknown)	(Unknown)
Parent Training	(\$250,000)	(\$257,500)	(\$265,225)
Salaries	(\$0 to \$11,783,938)	(\$0 to \$12,078,536)	(\$0 to \$12,380,499)
Fringe Benefits	(\$0 to \$2,164,709)	(\$0 to \$2,218,827)	(\$0 to \$2,274,298)
Plan Development, Remediation, Assessments (Reading)	(\$500,000)	(\$500,000)	(\$500,000)
Summer School (Reading)	(GREATER THAN \$100,000)	(GREATER THAN \$100,000)	(GREATER THAN \$100,000)
Total <u>Cost-School Districts</u>	GREATER THAN (\$850,000 TO \$14,798,647)	GREATER THAN (\$857,500 TO \$15,154,863)	GREATER THAN (\$865,225 TO \$15,520,022)

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<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	GREATER THAN \$3,288,300	GREATER THAN \$3,438,285	GREATER THAN \$3,592,750
COUNTY OR CITY			
<u>Cost-County or City</u>			
Election of Parent Advisory Council Members	(UNKNOWN)	(UNKNOWN)	(UNKNOWN)
ESTIMATED NET EFFECT ON LOCAL GOVERNMENT	(UNKNOWN) TO GREATER THAN <u>\$3,288,300</u>	(UNKNOWN) TO GREATER THAN <u>\$3,438,285</u>	(UNKNOWN) TO GREATER THAN <u>\$3,592,750</u>
<u>DESCRIPTION</u>			

Math Grant Program (2338-01)

The proposal would create the Mastering Math Program. Beginning July 1, 2001, DESE would provide four-year competitive matching grants to assist public school districts in math programs.

Upon conclusion of the grant and based on improvement in student performance on the math portion of the statewide assessment, DESE could reimburse the grantee for its local match.

Assessments Without Charge (2329-01)

The Department of Elementary and Secondary Education would be required to furnish sufficient copies of all assessments to each school district without charge, using funds appropriated for that purpose.

Drivers' Education Course (2812-01)

DESE would provide each school district eighty dollars for each pupil that completes a driver's education course.

DESCRIPTION (Continued)

Board of Education Election (2707-02)

The proposal would change the qualifications, elections and districting for the St. Louis School Board.

Missouri School for the Deaf (4219-03)

An amount equal to the proportionate per pupil share or one-tenth of the proportionate per pupil share of state aid appropriated to the Missouri School for the Deaf would be distributed directly to the parents or legal guardian of certain children from Missouri. The proportionate per pupil share would be for expenses approved in the child's individualized educational program.

In the event the Missouri School for the Deaf ceases to exist, the funding described above would continue at the same rate as the average of the last five years.

Parental Training (4221-01)

The Division of Special Education within DESE would administer a grant program to expand the availability of training and information to support the needs of parents of children with disabilities.

Each school district applying for grants must have in place a parent advisory council. The appointed members would serve until the next possible county or municipal general election, at which time the parent members of the parent advisory council would be elected.

Each year the Division would designate a portion of the state appropriation to the lead agency of the state's early intervention system which would use the funds for training and information dissemination to families of infants and toddlers who are receiving services from the early intervention system.

The proposal would create the Special Education Parental Training Fund to be administered by the Division of Special Education. The fund would be used to establish and maintain the special education parental training program.

DESCRIPTION (Continued)

Minimum Salary (4160-02)

The Commissioner of Education would present to the General Assembly a history of the cost to the state for teachers' minimum salary.

Beginning with the 2000-2001 school year, the minimum salary for a full-time teacher would be \$22,000, for a full-time teacher with at least five years experience would be \$25,000, for a full-time teacher with nineteen years experience or a full-time teacher with a master's degree and ten years experience would be \$28,000, for a full-time teacher with a master's degree and at least nineteen years experience would be \$34,000, and the minimum salary for a full-time teacher with a master's degree and at least twenty-nine years experience would be \$40,000.

State minimum salary supplements paid to school districts from the Excellence in Education Fund would be funded from increases in state revenues from taxation of riverboat gaming operations, including boarding fees and lottery proceeds, compared to these revenues appropriation in FY 2000.

Reading Assessments (4098-03)

Methods of reading assessment would be determined by each school district. Each school district would administer a reading assessment to each student within 45 days of the end of each school year. Assessments would be required first to students seeking promotion to the third grade and repeated as necessary through the end of the eighth grade, with the process ending at the end of the ninth grade.

A student scoring proficient on the statewide assessment in communication arts would be considered meeting the reading standard.

Each school district would be required to offer summer school reading instruction to any student with a reading improvement plan. Districts may fulfill the requirement with neighboring districts.

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DESCRIPTION (Continued)

College and University Governing Boards - Faculty Member Representatives (3552-01)

The Governor would appoint a faculty member representative to the Board of Curators of the University of Missouri and Lincoln University, the Board of Regents of each education institution per section 174.020, and the Board of Governors of Truman State University. The faculty member representatives would receive the same reimbursement as other members of the board.

The Governing Board of Truman State University would consist of eleven members (under current law ten members).

Missouri Engineering and Science Academy (3490-01)

The proposal would create the Missouri Engineering and Science Academy (MESA) for educating high ability high school students who have an interest in science or engineering and have demonstrated abilities in science and mathematics.

The academy curriculum would be developed by faculty at and managed and funded through the Rolla campus of the University of Missouri (UMR).

The proposal would establish at UMR a science summer program for in-service science teachers to enhance their knowledge and awareness of environmental matters associated with the history of natural resource development and land use changes in Missouri.

The science summer program would be funded, administered and taught by faculty at the Rolla campus of the University of Missouri with assistance from DESE.

Participating in the science summer program could be included as part of a teacher's participation in the career development and teacher excellence plan, to the extent such participation would be consistent with the teacher's career plan approved by the school district.

College and University Governing Boards - Student Representatives (3706-01)

Confidentiality would apply to all members and representatives of the Boards of Regents and Boards of Governors of educational institutions and Board of Curators of Lincoln University. Closed meetings would be closed to student representatives.

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DESCRIPTION (Continued)

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 Revenue
Department of Public Safety
Department of Insurance
State Treasurer's Office
Public School Retirement System
Non-Teacher School Employee Retirement System
Joint Committee on Public Employee Retirement
Gaming Commission
Secretary of State's Office
Office of Administration
Lottery Commission
Truman State University
Harris-Stowe State College
Missouri Western State College
University of Missouri
Linn State Technical College
Department of Social Services
Coordinating Board For Higher Education
Department of Natural Resources



Jeanne Jarrett, CPA
Director
March 13, 2000