

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1593-01  
Bill No.: SB 466  
Subject: Education, Elementary and Secondary: Teachers  
Type: Original  
Date: February 23, 2001

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$147,500)	(\$315,000)	(\$417,500)
National Teacher Certification Incentive Reward Program	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>(\$147,500)</b>	<b>(\$315,000)</b>	<b>(\$417,500)</b>

- SUBJECT TO APPROPRIATION -

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Net Effect On School Districts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

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**FISCAL ANALYSIS**

ASSUMPTION

Officials from the **State Treasurer's Office** assumed 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 Department of Elementary and Secondary Education could require as many as approximately 12 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 \$23. The estimated cost of a page in the Code of State Regulations is \$27. The actual costs could be more or less the SOS's estimated cost of **\$738** for FY 2002. 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of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.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)** noted that there are 44 National Board Certified teachers in Missouri. They anticipate 41 teachers will achieve National Board certification in each subsequent year. They assume that teachers who were Board certified in 2000 would be the first teachers eligible to receive bonuses.

FY 2002:

15 teachers x \$5,000 (first year certification bonus) =	\$75,000
29 teachers x \$2,500 (subsequent year bonus) =	<u>\$72,500</u>
Total	\$147,500

FY 2003:

41 teachers x \$5,000 (first year certification bonus) =	\$205,000
44 teachers x \$2,500 (subsequent year bonus) =	<u>\$110,000</u>
Total	\$315,000

ASSUMPTION (continued)

FY 2004:

41 teachers x \$5,000 (first year certification bonus) =	\$205,000
85 teachers x \$2,500 (subsequent year bonus) =	<u>\$212,500</u>
Total	\$417,500

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<b>GENERAL REVENUE FUND</b>			
<u>Cost</u> - Transfers to National Teacher Certification Incentive Reward Program Fund	(\$147,500)	(\$315,000)	(\$417,500)
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<u>(\$147,500)</u>	<u>(\$315,000)</u>	<u>(\$417,500)</u>

<b>NATIONAL TEACHER CERTIFICATION INCENTIVE REWARD PROGRAM FUND</b>			
<u>Income</u> - Transfers from General Revenue Fund	\$147,500	\$315,000	\$417,500
<u>Cost</u> - Distributions to School Districts	(\$147,500)	(\$315,000)	(\$417,500)
<b>ESTIMATED NET EFFECT ON NATIONAL TEACHER CERTIFICATION INCENTIVE REWARD PROGRAM FUND</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<b>SCHOOL DISTRICTS</b>			
<u>Income</u> - State Aid	\$147,500	\$315,000	\$417,500
<u>Cost</u> - Teacher Bonuses	(\$147,500)	(\$315,000)	(\$417,500)
<b>ESTIMATED NET EFFECT ON SCHOOL DISTRICTS</b>	<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.

DESCRIPTION

GVB:LR:OD (12/00)

The Department of Elementary and Secondary Education would adopt a National Teacher Certification Incentive Reward Program to encourage teachers to voluntarily apply for and achieve teacher certification by the National Board for Professional Teaching Standards. Teachers could apply for a bonus from the program.

The General Assembly would make an annual appropriation from the General Revenue Fund to the National Teacher Certification Incentive Reward Fund for the sole purpose of funding bonuses.

The bonus could be paid in a lump sum at the beginning of the fiscal year to a school district to cover all bonuses owed to teachers.

The amount of the bonus would be \$5,000 for the first school year after the achievement of the certification and \$2,500 for every subsequent year for the life of the certificate.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. The proposal would not affect Total State Revenue.

#### SOURCES OF INFORMATION

Department of Elementary and Secondary Education  
Secretary of State  
State Treasurer



Jeanne Jarrett, CPA  
Director  
February 23, 2001