

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3704-01
Bill No.: SB 898
Subject: Education, Elementary and Secondary Education; Education, Higher
Type: Original
Date: April 15, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	(\$203,000)	(\$203,000)	(\$203,000)
Total Estimated Net Effect on <u>All</u> State Funds*	(\$203,000)	(\$203,000)	(\$203,000)

*Subject to appropriation

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Coordinating Board For Higher Education (CBH)** assume the proposal would result in no fiscal impact to the CBH since the program is administered by the Department of Elementary and Secondary Education.

Officials from the **University of Missouri (UM)** stated UM would incur additional costs of \$11,000 to \$16,000 annually as a result of the proposed legislation.

Officials from **Truman State University (TSU)** indicated there would be no fiscal impact to TSU.

Officials from **Southwest Missouri State University** indicate an annual cost of \$20,000 to \$25,000 for the institutional match.

In a response to an identical proposal from this session, officials from **Harris-Stowe State College** anticipate the fiscal impact for fiscal years 2003, 2004, and 2005 would be \$45,000.

Oversight assumes that since the current language in statute (Section 161.415.3, RSMo) states “matching funds shall not be taken from money made available to the college or university from state funds”, there will be no state fund fiscal impact to the colleges and universities.

The **Department of Elementary and Secondary Education (DESE)** assumes the appropriation will need to double in size to double the number of scholarships from 100 to 200. To increase the amount by \$1,000 for potentially all of the applicants, the appropriation will require an additional \$200,000 for a total impact of \$400,000 each year.

In a response to a similar proposal in a prior session, DESE responded that approximately 1.6% of minority scholarship recipients are entering the field of special education. Assuming this percentage continues to hold true, it is believed that 3 of the 200 potential recipients of the minority scholarship would qualify for the additional \$1,000. Therefore, the additional cost for this segment of the increase is $3 \times \$1,000 = \$3,000$.

Oversight assumes the percentage of recipients entering the field of special education is the same, and has calculated the fiscal impact accordingly. Increasing the potential number of minority teaching scholarships may not create a fiscal impact because the program is subject to appropriation.

FISCAL IMPACT - State Government

FY 2003
(10 Mo.)

FY 2004

FY 2005

GENERAL REVENUE FUND

LMD:LR:OD (12/01)

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
<u>Cost - Department of Elementary and Secondary Education</u>			
Minority Teaching Scholarships*	<u>(\$203,000)</u>	<u>(\$203,000)</u>	<u>(\$203,000)</u>

***Subject to appropriation**

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<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

This proposal would increase the number of minority teaching scholarships from 100 to 200 and increases the amount of the scholarship from \$2,000 to \$3,000 if the student majors in special education.

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

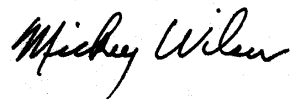
LMD:LR:OD (12/01)

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Department of Elementary and Secondary Education
Coordinating Board of Higher Education
University of Missouri
Southwest Missouri State University
Truman State University
Harris-Stowe State College

Not responding

Southeast Missouri State University
Lincoln University



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Acting Director
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