

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4150-05
Bill No.: SCS for SB 1059
Subject: Teachers; Education, Elementary and Secondary
Type: Original
Date: February 27, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	(\$210,000)	(\$210,000)	(\$210,000)
Total Estimated Net Effect on <u>All</u> State Funds	(\$210,000)	(\$210,000)	(\$210,000)

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
School Districts	(\$0 to UNKNOWN)	(\$0 to UNKNOWN)	(\$0 to UNKNOWN)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Secretary of State's Office (SOS)** assumed the rules, regulations and forms issued by the State Board of Education could require as many as 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 2003. 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of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.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.

The **Department of Elementary and Secondary Education (DESE)** stated that, based on 2001 MAP data and calculating 21% of the school districts which might fall into the retesting criteria, 22,274 students in Step 1 and 3,613 in Level Not Determined would have to be retested. At \$8.00 per retest, the total cost would be approximately \$210,000.

The additional year of intensive professional development assistance to teachers and administrators would add costs to school districts to contract and/or provide the professional development needed. DESE was unable to identify the number of teachers and administrators who would require the additional year; therefore, the impact to local school districts is unknown.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
GENERAL REVENUE			
<u>Cost</u> - Department of Elementary and Secondary Education			
Reimbursements to School Districts for retesting requirements	<u>(\$210,000)</u>	<u>(\$210,000)</u>	<u>(\$210,000)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
SCHOOL DISTRICTS			
<u>Income</u> - Reimbursement for testing fees	\$210,000	\$210,000	\$210,000
<u>Cost</u> - Retesting Requirements	(\$210,000)	(\$210,000)	(\$210,000)
<u>Cost</u> - Professional Development	(Unknown)	(Unknown)	(Unknown)
Total <u>Costs</u> to School Districts	(\$210,000 to Unknown)	(\$210,000 to Unknown)	(\$210,000 to Unknown)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>(\$0 to Unknown)</u>	<u>(\$0 to Unknown)</u>	<u>(\$0 to Unknown)</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposed legislation specifies that the Governor will recognize schools (as identified by the Department of Elementary and Secondary Education) that demonstrate high student achievement and designate such institutions as 'performance' schools. Said performance schools (or districts) will be eligible for waivers of certain administrative rules, to be identified by the department of elementary and secondary education.

The Department of Elementary and Secondary Education (DESE) will identify as 'priority' schools that are either: academically deficient; unaccredited; provisionally accredited; or not meeting any of the accreditation standards on student performance based upon the state-wide assessment system.

In order to address these areas of deficiency, the Board of Education of any priority school district will submit an accountability compliance statement to DESE on or before August 15 that: identifies and analyzes areas of deficiency in student performance by school, grade and academic content area; provides a comprehensive strategy for addressing these areas of deficiency; and assures disclosure of these areas of deficiency in the school accountability report card.

Any resource reallocation plan must include at least one of the following elements: reduction in class size for areas of academic concern; establishment of full-day kindergarten or pre- school programs; establishment of after-school, tutoring and other programs offering extended time for learning; employment of national board-certified teachers or regional resource teachers, along

DESCRIPTION (continued)

with appropriate salary enhancements for such teachers; establishment of programs of teacher home visitation; or the creation of "school within a school" programs to achieve smaller learning communities within priority schools.

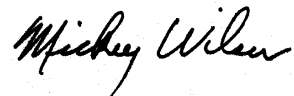
DESE will develop a program of administrator mentoring which focuses on the needs of priority schools and priority school districts.

DESE will withhold state funding to any district until that district submits an accountability compliance statement.

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 Secretary of State



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