

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3701-02
Bill No.: HCS for HB 1040
Subject: Education, Elementary and Secondary: Elementary and Secondary Education Dept
Type: Education Accountability
Date: February 9, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Attorney General (AGO)** stated this proposal would have no fiscal impact on the AGO's office.

Officials from the **Office of State Courts Administrator** stated this proposal would have no effect on the courts.

Officials from the **Secretary of State's Office (SOS)** assumed the rules, regulations and forms issued by the Department of Elementary and Secondary Education and the Department of Social Services could require as many as 14 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 \$861 for FY 2005. 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of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.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.

ASSUMPTION (continued)

Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Social Services - Family Support/Children's Division** anticipate no fiscal impact to their agency from Section 210.145.

Officials from the **Department of Elementary and Secondary Education (DESE)** made the following assumptions regarding areas of potential fiscal impact of this proposal:

SECTION 160.518 - DESE is currently utilizing federal funds to align the performance and accountability standards of the statewide assessment system to federal standards.

SECTION 160.570 - DESE assumes this proposal indicates that a school board may establish policy designed to encourage students to give their best efforts on each portion of any statewide assessment, which may include incentives or supplementary work as a consequence of performance. Anything implemented by districts would pose a cost and would vary depending upon the incentive. DESE has no way to estimate whether districts will participate or to what extent they will participate.

Oversight assumes this section changes wording pertaining to consequences of performance and no fiscal impact is expected.

SECTION 161.089 - DESE assumes zero to minimal costs. **Oversight** assumes any costs will be absorbed within existing resources.

SECTION 161.209 - DESE assumes such a review would require staff time while other responsibilities are temporarily set aside.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<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 makes the following provisions:

ASSESSMENTS AND ACCREDITATION

SECTION 160.518

No later than June 30, 2006, the State Board of Education shall administer the following adjustments to the statewide assessment system: 1) Align MAP performance standards to meet but not exceed NAEP; 2) Begin yearly exams in subjects where required by federal law; and, 3) Make other adjustments necessary to satisfy federal requirements with No Child Left Behind or other federal standards.

This section also requires development of a MSIP waiver process based on performance profiles.

SECTION 160.570

Wording has been changed to delete specific references to GPA or additional graduation requirements. The language now would permit incentives or supplementary work as consequence of performance.

SECTION 161.089

The Missouri school improvement program or successor accreditation program permits Parents as Teachers deficiencies to be reflected as an area of concern. Also, districts shall be rewarded that use instructional technology to accomplish their advanced placement goals.

SCHOOL DISTRICTS

SECTION 162.261

Clarifies that the nepotism provisions of the Missouri Constitution apply to school districts.

DESCRIPTION (continued)

SECTION 171.031

Districts serving the same students, such as K-8 districts and the districts that provide high schools to those districts, must make a good-faith effort to coordinate their school calendars.

OTHER PROVISIONS

SECTION 161.209

DESE must seek feedback on its rules and regulations and give priority to the review of existing regulations that could be relaxed in hard economic times without affecting student achievement.

SECTION 210.145

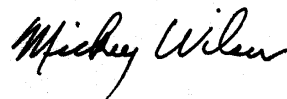
The Division of Family Services cannot meet with a child in the same school or child care facility where abuse is alleged to have occurred. Currently, the division cannot meet with a child at any school or child care facility.

Section 210.145 has an emergency clause; Section 160.518 addresses federal mandates.

This legislation 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
Administrative Rules Division
Office of Attorney General
Office of State Courts Administrator
Department of Social Services
Family Support/Children's Division



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