

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3701-08  
Bill No.: SCS for HCS for HB 1040 and HCS for HB 1041 with SA 1, 2, 3, 4, 5, 7, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 22, 23  
Subject: Education, Elementary and Secondary; Elementary and Secondary Education Dept; Children and Minors; St Louis; Buses; Teachers; Banks; Retirement - Schools; Kansas City; Education, Higher; Licenses - Professional; Public Service Commission  
Type: Original  
Date: May 5, 2004

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
General Revenue	(\$4,892,351 to Unknown)	(\$5,431,351 to \$6,931,351 or Unknown)	(\$5,431,351 to \$6,931,351 or Unknown)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$4,892,351 to Unknown)</b>	<b>(\$5,431,351 to \$6,931,351 or Unknown)</b>	<b>(\$5,531,351 to \$6,931,351 or Unknown)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 34 pages.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
State School Moneys	\$0	\$0	\$0
Board of Certification of Interpreters	(Not Expected to Exceed \$100,000)	(Not Expected to Exceed \$100,000)	(Not Expected to Exceed \$100,000)
GREAT	\$0	\$0	\$0
After-School Retreat Reading and Assessment Grant Program	\$0	\$0	\$0
Colleges and Universities	(\$206,000)	(\$206,000)	(\$206,000)
Highway	(\$10,000)	\$0	\$0
<b>Total Estimated Net Effect on Other State Funds*</b>	<b>(\$316,000 to Unknown)</b>	<b>(\$306,000 to Unknown)</b>	<b>(\$306,000 to Unknown)</b>

**\*Additional Offsetting Transfers In and Out total \$4,283,551 to Unknown in FY 2005; \$5,490,791 to Unknown in FY 06 & 07**

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Local Government</b>	<b>Unknown to (Greater than \$100,000)</b>	<b>(\$100,000 to Greater than \$1,500,000)</b>	<b>(\$100,000 to Greater than \$1,500,000)</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **Office of Secretary of State (SOS)** assumed the rules, regulations and forms issued by the Department of Elementary and Secondary Education and the Public School Retirement System could require as many as 78 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 \$4,797 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. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

### **SECTION 115.124**

In response to legislation from a previous session (SB 686, FN 2010-10) 2003, officials from the **Department of Elementary and Secondary Education (DESE)** indicated these sections of the proposal would have no fiscal impact on their agency, but that there could be an unknown increase in election costs to local school districts.

In response to legislation from a previous session (SB 686, FN 2010-10) 2003, officials from the **Office of Secretary of State - Division of Elections** assume this proposal would have no effect on their agency but would affect political subdivisions.

In response to legislation from a previous session (SB 686, FN 2010-10) 2003, officials from the **Kansas City Election Board** indicated any participating school district would pay a pro-rata share of election costs.

**Oversight** assumes that total local school district and other political subdivision costs for elections could exceed \$100,000.

ASSUMPTION (Continued)

SECTION 160.254

The following agencies and school districts indicate this proposal will have no fiscal impact on their agencies or districts: **Department of Elementary and Secondary Education, Missouri Senate, House of Representatives, Coordinating Board for Higher Education, Department of Revenue - State Tax Commission, Parkway School District, Mexico 59 School District, and Columbia Public Schools.**

Officials from the **Kansas City Missouri School District** stated that minimal resources may be expended. **Oversight** assumes those expenses would be absorbed with existing resources.

SECTION 160.261

In response to a similar proposal from this session (SB 1257, FN 4594-01), officials from **DESE** assumed this proposal would result in necessary changes to their data collection system; however, DESE does not expect these costs to exceed \$100,000. **Oversight** assumes these one-time costs can be absorbed within existing resources or requested through the budget process.

In response to a similar proposal from this session (SB 1257, FN 4594-01), officials from the **Saint Louis Public Schools** and the **Kansas City Missouri School District** indicated this proposal would have no fiscal impact on their respective districts.

SECTION 160.545

In response to a similar proposal (SB 975, FN 3315-05) from this session, officials from **DESE** assumed this proposal would expand the A+ program to include reimbursement of the cost of tuition, books, and fees to any private vocational or technical school which is a member to the North Central Association and accredited by the Higher Learning Commission. Reimbursements would be limited to the tuition rate charged by a public community college for course work offered by the private vocational or technical school within the service area of that community college.

DESE assumed the proposal would primarily include private vocational or technical schools meeting certain requirements (primarily Ranken Tech) in A+ reimbursement. DESE assumes other private technical schools may also attempt to qualify. The amount of their reimbursement would depend on the community college service region where they are located and the tuition rate. DESE would anticipate ITT Tech in St. Louis and DeVry Institute in St. Louis and Kansas

ASSUMPTION (continued)

City would also seek reimbursement.

In response to a similar proposal (SB 975, FN 3315-05) from this session, officials from the **Coordinating Board for Higher Education (CBH)** stated that, according to the provisions related to qualified private vocational and technical schools, at least two institutions, DeVry University and Ranken Technical College, will become eligible for A+ reimbursements. DeVry and Ranken annually average 330 and 200 first time students from Missouri respectively. If half of those students are eligible for A+ reimbursements, 250 additional A+ awards would be given each year. The fall 2003 tuition and fee rate for Metropolitan Community College is \$2,100 for in-district and \$3,660 for out-of district (DeVry's local community college district). The rate for St Louis Community College is \$1,800 in-district and \$2,340 out-of-district (Ranken's local community college district). Assuming that half of the students are in-district and half out-of district, the total cost the first year would be \$639,000 and \$1,278,000 in subsequent years for two year programs. CBH notes that current A+ rules provide that financial incentives will be available to qualified students for a period of four years after high school graduation. Therefore, it could be possible for those students attending private vocational and technical schools that offer baccalaureate degrees to receive A+ funding to receive baccalaureate degrees. CBH also assumes other private institutions may also become A+ eligible, further increasing the A+ payments.

In response to a similar proposal (SB 975, FN 3315-05) from this session, officials from **Linn State Technical College** indicated this proposal would have no fiscal impact on their institution.

In response to a similar proposal (SB 975, FN 3315-05) from this session, officials from the **Moberly Area Community College** were unable to determine costs associated with this proposal.

In response to a similar proposal (SB 975, FN 3315-05) from this session, officials from the **KC Metro Community College** projected they could lose ½ of their A+ Tuition and Fee revenue which would be about \$180,000 to \$200,000.

SECTION 161.415

Officials from the **Coordinating Board for Higher Education** indicated no fiscal impact is expected on the Department of Higher Education as a result of this amendment; however, due to the increased scholarship amounts, colleges and universities may experience a fiscal impact regarding the matching requirements.

ASSUMPTION (continued)

According to officials from **DESE**, the current appropriation is \$200,000. To double the number of scholarships from 100 to 200, the appropriation will need to double in size. To increase the amount by \$1,000 or \$2,000 for potentially all of the applicants, the appropriation will require an additional \$200,000 to \$300,000 for a total impact of \$400,000 to \$500,000 each year.

In a response to a similar proposal in a prior session (SB 898, FN 3702-01 - 2002), 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  $3 \times \$2,000 = \$6,000$ .

**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.

In response to a similar proposal (SB 814, FN 2927-01) from this session, officials from the **University of Missouri** assumed this proposal would cost their organization from \$11,000 to \$16,000 per year.

In response to a similar proposal in a prior session (SB 898, FN 3704-01 - 2002), officials from **Truman State University (TSU)** indicated there would be no fiscal impact to TSU.

In response to a similar proposal in a prior session (SB 898, FN 3704-01 - 2001), officials from **Southwest Missouri State University** indicated an annual cost of \$20,000 to \$25,000 for the institutional match.

In response to a similar proposal in a prior session (SB 898, FN 3704-01 - 2002), officials from **Southwest Missouri State University** indicated an annual cost of \$20,000 to \$25,000 for the institutional match.

In response to a similar proposal in a prior session (SB 898, FN 3704-01 - 2002), officials from **Harris-Stowe State College** anticipate the fiscal impact at \$15,000 annually.

SECTION 162.032

Officials from the **Joint Committee on Public Employee Retirement** stated this proposal

ASSUMPTION (Continued)

would not affect retirement plan benefits as defined in Section 105.660(5).

Officials from the **Public School Retirement System of Missouri** stated this proposal would have no fiscal impact on the Public School and Non-teacher School Employee Retirement Systems of Missouri.

Officials from the **Kansas City Missouri School District (KCMSD)** assumed increasing the number of retirees covered by KCMSD health insurance would result in an increase in health premium for all employees. **Oversight** assumes the proposal provides for ensuring access to continuation of health insurance coverage, therefore no fiscal impact to KCMSD should result from this proposal.

SECTION 162.065 & 162.067

In response to a similar proposal (HB 1281, FN 3219-01) from this session, officials from the **Department of Public Safety - Missouri State Highway Patrol** and the **Department of Transportation** anticipated no fiscal impact as a result of this proposal.

Officials from **DESE** assume that depending on the size of the school district, it could take a number of man hours to periodically check the bus stops against the sex offender list. Also, the manifests that are required will require a number of school district and/or bus contractor man hours to generate and keep current. The cost is unknown, but likely significant to school districts.

SECTION 162.700

Officials from **DESE** stated there would be no fiscal impact resulting from this proposal on their agency or on school districts.

Officials from the **Saint Louis Public Schools** and the **Special School District of Saint Louis County** indicated this proposal would not have a direct fiscal impact on their districts.

Officials from the **Kansas City Missouri School District (KCMSD)** assume that including all public and private schools in the planning process will extend the process, which could prove costly for the KCMSD. **Oversight**, for fiscal note purposes, assumes the planning process itself would not result in added expenses for the KCMSD.

ASSUMPTION (Continued)

SECTION 163.031 and 168.515

Officials from the **Office of Administration - Division of Budget and Planning (BAP)** stated the proposal should not result in additional costs or savings to BAP. The proposal could result in general revenue costs of approximately \$4 million to fully fund the career ladder program.

Officials from the **Department of Elementary and Secondary Education (DESE)** stated the FY05 projected need to pay the 2003-04 Career Ladder obligations is \$39,473,501. Because the foundation formula proration is less than 1.00 and the Career Ladder payment cannot currently be paid at a higher percentage (proration) than the foundation formula, the FY05 budget request for Career Ladder is \$35,526,150. Paying 100% of the Career Ladder obligation increases the state cost \$3,947,351 above the FY05 budget request.

SECTION 163.036

Officials from the **Office of Administration - Division of Budget and Planning** stated this proposal would not result in additional costs or savings to BAP. According to BAP, this proposal could reduce the cost of the foundation formula.

Officials from **DESE** submitted the follow assumption regarding summer school: The proposal amends the calculation of the number of eligible pupils on which a district may be paid. Beginning in the year 2005-2006 all districts will be paid on the current year summer school. If a district does not have summer school in the current year but did the prior year, the district will not be paid a second time for prior year summer school.

Currently, a district could choose to eliminate its summer school program in the current year but still be paid in the foundation formula for summer school the district had two years prior. Consequently, districts may use money generated from a summer school program intended to pay for the summer school program to instead assist funding the regular school term. The proposal will insure that all districts receive funding for their most recent summer school. If the district opts to eliminate summer school, it will only be paid on the regular term ADA.

There is no state cost to this proposal as the proposed change does not increase the number of eligible pupils on which districts may be paid through the foundation formula. The cost to fund the foundation formula with a proration factor of 1.00 may be reduced if districts choose to discontinue providing educational opportunities in the summer. However, the current proration factor is so far below 1.00 that there will be no state savings. There will be a redistribution of dollars such that only districts providing summer school will receive summer school funding.



### ASSUMPTION (continued)

Officials from **DESE** submitted the follow assumption regarding kindergarten: Beginning in 2004-05 for a district to be paid on a kindergarten eligible pupil count from the first or second preceding years, the district must schedule the same number of hours in session for the current year as in the first or second preceding years. This basically means that if a district changes from a full-day kindergarten program to a half-day kindergarten program, it will only be paid on the half-day kindergarten attendance of the current year rather than the higher ADA from the prior years.

Currently, a district could choose to reduce its full-day kindergarten program in the current year but still be paid in the foundation formula for the full-day kindergarten the district had two years prior. Consequently, districts may use money generated from a full-day program intended to pay for a full-day program to instead assist funding other needs of the regular school term. The proposal will insure that if the district opts to eliminate full-day kindergarten, it will only be paid on the half-day program offered.

There is no state cost to this proposal as the proposed change does not increase the number of eligible pupils on which districts may be paid through the foundation formula. The cost to fund the foundation formula with a proration factor of 1.00 may be reduced if districts choose to discontinue providing full-day kindergarten. However, the current proration factor is so far below 1.00 that there will be no state savings. There will be a redistribution of dollars such that only districts providing full-day kindergarten will receive full-day kindergarten funding.

### SECTION 165.301

Officials from the **Department of Economic Development - Division of Finance** and the **Office of State Treasurer** responded in an earlier version of this proposal that it would have no fiscal impact on their agencies.

Officials from **DESE** did not estimate a fiscal impact, but in the introduced version of the proposal indicated no fiscal impact.

In response to the introduced proposal, officials from the **Saint Louis Public Schools** indicate there would be some savings in time devoted to the annual preparation, analysis, and presentations involved in this process, but could not determine dollar savings. **Oversight** assumes there would also be savings in advertising costs.

ASSUMPTION (continued)

SECTIONS 167.031, 167.051, and 167.052

Officials from the **Department of Social Services - Division of Youth Services (DYS)** stated that in FY 00, 55 youth under the age of 16 were committed to DYS for truancy. According to Kids Count Missouri, the annual high school dropout rate for the 1998-99 school year was 4.8%, or approximately 12,457 dropouts. According to the 1999 Juvenile Court Statistics Report, there were 6,056 referrals for truancy made to the juvenile courts involving youth under the age of 16 years. Based on state averages, it is estimated that St Louis City had 566 court referrals for truancy. If St. Louis City adopts a resolution to increase compulsory school attendance to age 17, DYS estimates 17 - 24 additional youth under age 17 could be committed annually to DYS from the area. DYS expects to be able to absorb this increase within the existing budget.

**Oversight** reviewed the MODESE Annual Report of School Data and the number of high school dropouts in St Louis City for the year 2002 was 847 (7.8%), compared with a state dropout rate of 3.8%. Based on that data, the estimate of number of youth that might be committed annually to DYS could be somewhat higher than original estimates, but **Oversight** assumes the increase could still be absorbed.

Officials from the **Department of Social Services - Family Support/Children's Division (DOS)** indicated that requiring children to attend school until age 17 would result in additional children being reported to the Child Abuse/Neglect (CA/N) Hotline for education neglect since a parent's failure to send a child to school is a reportable condition; however, DOS anticipates the financial impact to the agency of additional calls and followup can be absorbed with existing resources.

Officials from **DESE** indicated that a cost estimate could not be determined for this proposal. More students may stay in school, thus raising the district's average daily attendance which would generate more basic state aid to the district; however, there is no way to determine number of 17-year-old students staying in school that would have otherwise dropped out. Even if they stay in school, attendance may be poor which could offset an increase in basic state aid to the district.

In response to a similar proposal from last session, officials from the **St Louis Public Schools** estimate the initial number of students impacted by this legislation would be 150 and could increase to 500 students.

ASSUMPTION (continued)

The projected state payments, based on 150 for school years 2004-2005 and 2005-2006, are as follows:

ASSUMPTION (continued)

	<u>2004-2005</u>	<u>2005-2006</u>
150 Students Without At Risk	\$527,188	\$532,460
150 Students With At Risk	\$741,410	\$748,824

**Oversight** assumes these figures are for illustration purposes only; the proposal would not take effect until the school year beginning 2007-2008 which is beyond the scope of this fiscal

SECTION 167.231

Officials from **DESE** believe this provision will increase the cost of transportation due to the following: If the bus is already full, then a new route will have to be added. A new route means staggering bus times so the same bus can be used again or buying a new bus. If the bus is not full, the route may need to be modified to pick up these students. The modified route may cover more miles.

**Oversight** assumes that since the language in this section regarding transportation for students who live less than one mile from their assigned school is permissive, no fiscal impact will be assigned.

SECTION 168.124

Officials from **DESE** state this portion of the proposal could result in significant salary costs for local school districts; however, any impact is contingent upon the actions of the governor and the general assembly and cannot be estimated.

Officials from the **Columbia Public Schools (CPS)** assume scenarios similar to the FY 04 funding cycle and as the district continues to reduce staff, CPS may have to reduce staff after contracts are issued. CPS assumes the fiscal impact could be in the range of \$100,000.

In response to the introduced version of this proposal, officials from the **Parkway School District** indicated this proposal could be very costly to their school district. That cost would vary depending on the number of positions, amount of withholdings, teacher pay, etc.

ASSUMPTION (continued)

Officials from the **Mexico School District** and the **Saint Louis Public Schools** indicated in a previous response to this proposal that the costs associated with this section of the proposal would be substantial.

Responding to an earlier version of this proposal, officials from the **Kansas City Missouri School District** indicated payment of teachers salaries for those that could be furloughed could be significant.

**Oversight** assumes that if a minimum of 34 teachers were affected by this proposal, the cost would exceed \$100,000.

SECTION 168.221

Officials from **DESE** indicated this proposal would have no fiscal impact on their agency or the Metropolitan (St Louis) school district.

Officials from the **St Louis Public Schools** stated this proposal would have no fiscal impact on their district.

SECTIONS 168.303 & 169.712

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

Officials with the **Public School Retirement System, Public School Retirement System of St. Louis** and **Kansas City Public School Retirement System** assume no fiscal impact to their agency.

Officials with the **Department of Elementary and Secondary Education** assume local school districts would likely see increased administrative costs. It is unknown to what extent administrative costs would increase; the increase being contingent upon the level of participation in job-sharing by classroom teachers statewide.

**Oversight** assumes the local school districts could absorb the administrative costs based on the responses received from the Public School Retirement System of St. Louis and Kansas City Public School Retirement System as well as the Public School Retirement System.

ASSUMPTION (continued)

SECTION 168.500

Officials from the **Department of Economic Development - Division of Professional Registration** indicated this proposal, as written, would have no fiscal impact on their agency.

According to officials from **DESE**, to date there are 2,218 individuals with a speech pathologist assignment reported in core data for the 2003-04 school year. Of those individuals, 1,300 have a Speech Pathologist Certificate and have 5+ years of teaching experience. 219 out of the 1,300 are already participating in the Career Ladder Program, thus are ineligible for increased career ladder payments. Out of the remaining 1,081 individuals, approximately 500-600 individuals would have received the certificate of clinical competence and are therefore eligible to be placed on stage III of the career program under the terms of this proposal.

This legislation is unclear as to whether a district not participating in the career ladder program could participate only for the speech pathologists. The cost of this change is likely to be between \$1,250,000 and \$1,500,000.

Calculation:

500 Speech Pathologists X 50% (state match for career ladder) X \$5,000 (amt. of Stage III Career Ladder) = \$1,250,000 if all participate."

600 Speech Pathologists X 50% (state match for career ladder) X \$5,000 (amt. of Stage III Career Ladder) = \$1,500,000 if all participate.

**Oversight** assumes since most teaching contracts are finalized in March and April, and this section has no emergency clause, this proposal would not be in effect until FY 2006.

**Oversight** assumes that any of the Speech Pathologists with teaching certificates that have been employed by the schools for at least five years would participate in the career ladder program, if available. **Oversight** is unable to determine how many might be eligible in the future with new persons becoming eligible and others leaving the profession, but assume the amount could remain at approximately \$1,500,000 annually for the state match. School districts participating in the program would also be responsible for approximately \$1,500,000 annually for their corresponding match. **Oversight** also notes the cost could be less since the Speech Pathologists must be approved for placement at Stage III by the local school district.

ASSUMPTION (continued)

SECTIONS 169.270, 169.291, 169.295, & 169.322

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

Officials of the **Public School Retirement System of Missouri, the Non-teacher School Employee Retirement System of Missouri** and **Kansas City Public School Retirement System** assume no fiscal impact to their agency.

SECTION 169.560 and 169.577

Officials from the **Joint Committee on Public Employee Retirement** have reviewed this proposal and have determined an actuarial study is not needed under the provisions of section 105.660 (5).

Officials with the **Public School Retirement System** assume this proposal would have no fiscal impact on their agency.

SECTION 169.596

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

Officials with the **Public School Retirement System, Public School Retirement System of St. Louis and Kansas City Public School Retirement System** assume no fiscal impact to their agency.

Officials with **DESE** assume local school districts would likely see increased administrative costs. It is unknown to what extent administrative costs would increase; the increase being contingent upon the level of participation in job-sharing by classroom teachers statewide.

**Oversight** assumes the local school districts could absorb the administrative costs based on the responses received from the Public School Retirement System of St. Louis and Kansas City Public School Retirement System as well as the Public School Retirement System.

ASSUMPTION (continued)

SECTION 171.053

In response to a similar proposal (SB 813, FN 3024-01) from this session, officials from the **Department of Agriculture** indicated this proposal would not affect their agency.

In response to a similar proposal (SB 813, FN 3024-01) from this session, officials from the **Mexico School District (MSD)** assumed this proposal would have very little impact on State Aid, due to the fact the very few schools are in session during the State Fair. Also, the MSD has very few absentees because of other agriculture related activities during the school year.

In response to a similar proposal (SB 813, FN 3024-01) from this session, officials from the **Moiteau County R-I School District** indicated this proposal would have little fiscal impact on their district.

In response to a similar proposal (SB 813, FN 3024-01) from this session, according to officials from **DESE** school districts currently count in their average daily attendance the time during the regular school day the students are involved in instructional activities which includes educational field trips. Summer school programs often include instructional field trips as part of the attendance during the summer school day. The activities authorized by this proposal may already be counted by some district in their average daily attendance if the districts consider them instructional field trips conducted during the regular school day. DESE indicated there is no way to estimate the number of students who may participate or in which districts they are located, so therefore they were unable to determine the cost of this proposal.

**Oversight** assumes that if the Average Daily Attendance (ADA) increased by only 100 as a result of this proposal, the financial impact could be significant. Assuming 100 (Increased ADA) x 2.75 (Operating Levy) x \$1,395.07 (Guaranteed Tax Base/100) x 1.00 (Proration Factor) equals an increase in basic state aid (before deductions) of \$383,644. **Oversight** therefore assumes the fiscal impact would be expected to be in excess of \$100,000.

SECTION 172.360

Officials from the **University of Missouri** and the **Coordinating Board for Higher Education** assume this proposal would have no impact on their organizations.

ASSUMPTION (continued)

SECTION 174.453

Officials from the **Coordinating Board for Higher Education** assume this proposal would have no direct fiscal impact on their organization.

SECTION 209.296 & 209.316 & 209.321

Officials from the **Department of Corrections (DOC)** state that supervision by the DOC through probation or incarceration would result in some additional costs, but it is assumed the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

Officials from the **Office of Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials from **DESE** state these sections could pose a fiscal impact in the form of investigation costs. The sections do not clearly indicate which agency would be responsible for the investigation and resulting costs; however, DESE assumes the impact would effect the Commission for the Deaf and Hard of Hearing.

SECTION 210.145

In response to a similar proposal (SB 903 - FN 3097-01) from this session, officials from the **Department of Social Services-Children's Division**, the **DESE**, and the **Office of State Courts Administrator** assume this proposal would not fiscally impact their agencies.

In response to a similar proposal (SB 903 - FN 3097-01) from this session, officials from the **Office of Attorney General** assumes that any potential costs arising from this proposal could be absorbed with existing resources.

SECTION 302.272

Officials from the **DESE** indicated this section of the proposal would have no fiscal impact on their agency or school districts.

Officials from the **Department of Revenue - Motor Vehicle and Drivers License Division** stated this legislation would require 300 hours of internal programming modification to the



ASSUMPTION (Continued)

School Bus Permit Application System. In addition, 100 hours of testing would be required to ensure the program modifications are accurate.

SECTION 393.310

Officials from **DESE** assume this legislation would not fiscally impact their agency. DESE indicated 81 school districts involving 1,303 buildings participate in aggregate purchases of natural gas; however, due to time constraints, they could not provide the probable savings which may result from extending the authority under the proposed section for another two years. DES assumes an unknown savings to local funds.

Officials of the **Department of Economic Development - Public Service Commission (PSC)** state this bill would extend the effective period of a current natural gas school aggregation program to June 30, 2007 (currently expires on June 30, 2005). PSC notes that current efforts related to this statute have included several meetings, tariff filings, testimony filings, discovery, litigation and hearings. PSC is not requesting additional resources due to this proposal.

Officials of the **Department of Economic Development - Office of the Public Counsel (OPC)** state although this bill has some impact on OPC, OPC should be able to absorb the changes; however, if the requirements of this bill are combined with additional requirements or changes OPC may incur a fiscal impact.

**Oversight** assumes this proposal could result in a reduction in natural gas prices for schools. The amount of savings is unknown, but could exceed \$100,000.

SECTION 488.5020 & 589.313

In response to a similar proposal (SB 1347, FN 4787-01) from this session, officials from the **Office of the State Treasurer, Springfield Police Department, and the St. Louis Metropolitan Police Department** assume the proposal would have no fiscal impact on their agencies.

In response to a similar proposal (SB 1347, FN 4787-01) from this session, officials from **DESE** state the proposal would require DESE to administer a "Gang Resistance Education and Training Program" (GREAT) for school districts which DESE determines are in need of such programs. The impact on DESE would be minimal as the curriculum, federal funding for law enforcement agencies, guidelines, and agreements with school districts have already been established by the federal government. DESE assumes DPS will provide costs related to training.

### ASSUMPTION (continued)

In addition, the proposal would require DESE to develop a grant program to provide school districts with matching grants to fund the after-school reading retreat program. DESE would require 1 FTE Supervisor (at \$47,616 per year) and 1 FTE Administrative Assistant (at \$25,812 per year) to establish grant criteria, provide copies of criteria to all school districts, promulgate grant application forms, review proposals, award grants, and administer the program. Cumulative costs to develop grant application forms, print copies of grant criteria and distribute to all school districts, and acquire grant reader services should be less than \$100,000.

It should be noted that the proposal would also create a \$20 surcharge to be assessed as costs in each court proceeding filed in any court in the state in all felony criminal cases involving chapters 195, 565, 566, 569, 570, and 571, RSMo. Fifty percent of these funds shall be used to promote the GREAT program and an amount of up to fifty percent shall be used to fund the after school reading retreat program. DESE defers to the Office of State Courts Administrator regarding the potential quantity of funding.

**Oversight** assumes the after-school retreat reading program was authorized in the 2001 session by CCS for HCS for SB 319. DESE requested 2 FTE in the fiscal note for this bill. Oversight assumes the program was not initiated and the 2 FTE requested for this proposal are the same as those requested for CCS for HCS for SB 319. Therefore, Oversight assumes no personnel cost to DESE for this proposal. Oversight also assumes any administrative costs associated with the after-school retreat reading program would be paid out of the after-school retreat reading and assessment great program fund.

In response to a similar proposal (SB 1347, FN 4787-01) from this session, officials from the **Office of the State Courts Administrator (CTS)** estimated, based on FY 2003 data, that the surcharge would apply to 20,979 circuit-level felony cases, and 4,236 associate circuit felony preliminary cases, for a total of 25,215 cases. Based on an average collection rate of 80 percent, the surcharge could provide about \$403,440 (25,215 x \$20 x 80%) per year.

In response to a similar proposal (SB 1347, FN 4787-01) from this session, officials from the **Kansas City School District** and the **Saint Louis Public Schools** assumed the proposed legislation will generate additional revenue for their district; however, they were unable to determine a dollar amount because they have no data on which to base the estimate.

### SECTION 1

Officials from the **DESE** stated this section of the proposal would have no fiscal impact on DESE because DESE no longer reimburses school districts for A+ coordinators.

FISCAL IMPACT - State GovernmentFY 2005  
(10 Mo.)

FY 2006

FY 2007

**GENERAL REVENUE FUND**Cost - A+ reimbursement of tuition  
books, and fees for private vocational and  
technical schools (Section 160.545)\*(\$639,000 to  
Unknown)(\$1,278,000 to  
Unknown)(\$1,278,000 to  
Unknown)Cost - DESEMinority Teaching Scholarships  
(Section 161.415) \*

(\$206,000)

(\$206,000)

(\$206,000)

Cost - Department of Elementary and  
Secondary Education (DESE) - Career  
Ladder (Section 163.031 & 168.515)

(\$3,947,351)

(\$3,947,351)

(\$3,957,351)

Cost - DESE - Career Ladder Match/  
Speech Pathologists (Sec. 168.500)

\$0

(Up to  
\$1,500,000)(Up to  
\$1,500,000)Cost - Increased Transfers to State  
School Moneys Fund (Section 171.053)(Unknown -  
Expected to  
Exceed  
\$100,000)(Unknown -  
Expected to  
Exceed  
\$100,000)(Unknown -  
Expected to  
Exceed  
\$100,000)**ESTIMATED NET EFFECT ON  
GENERAL REVENUE FUND**(\$4,892,351 to  
Unknown)(\$5,431,351 Up  
to \$6,931,351  
or Unknown)(\$5,431,351 Up  
to \$6,931,351  
or Unknown)**\* Subject to appropriation**

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
<b>STATE SCHOOL MONEYS FUND</b>			
<u>Transfer In</u> - General Revenue (Section 163.031 & 168.515)	\$3,947,351	\$3,947,351	\$3,947,351
<u>Transfer In</u> - General Revenue for Career Ladder Match - Speech Pathologists (Section 168.500)	\$0	Up to \$1,500,000	Up to \$1,500,000
<u>Transfer In</u> - Increased Transfers from General Revenue (Section 171.053)	Unknown - Expected to Exceed <u>\$100,000</u>	Unknown - Expected to Exceed <u>\$100,000</u>	Unknown - Expected to Exceed <u>\$100,000</u>
<u>Total Transfers In</u> - State School Moneys Fund	\$3,947,351 to <u>Unknown</u>	Up to \$5,447,351 to <u>Unknown</u>	Up to \$5,447,351 to <u>Unknown</u>
<u>Transfer Out</u> - Distribution to School Districts for Career Ladder Payments to Speech Pathologists (Section 168.500)	\$0	(Up to \$1,500,000)	(Up to \$1,500,000)
<u>Transfer Out</u> - School Districts - Career Ladder Payments (Section 163.031 & 168.515)	(\$3,947,351)	(\$3,947,351)	(\$3,947,351)
<u>Transfer Out</u> - Increased Aid to School Districts (Section 171.053)	(Unknown - Expected to Exceed <u>\$100,000</u> )	(Unknown - Expected to Exceed <u>\$100,000</u> )	(Unknown - Expected to Exceed <u>\$100,000</u> )

**FISCAL IMPACT - State Government**FY 2005  
(10 Mo.)

FY 2006

FY 2007

**STATE SCHOOL MONEYS FUND  
(Continued)**Total Transfers Out - State School  
Moneys Fund(\$3,947,351 to  
Unknown)(Up to  
\$5,447,351 to  
Unknown)(Up to  
\$5,447,351 to  
Unknown)**ESTIMATED NET EFFECT ON  
STATE SCHOOL MONEYS FUND****\$0****\$0****\$0****COLLEGES AND UNIVERSITIES**Cost - Matching Requirement for  
Minority Scholarships (Section 161.415)

(\$206,000)

(\$206,000)

(\$206,000)

**ESTIMATED NET EFFECT ON  
COLLEGES AND UNIVERSITIES****(\$206,000)****(\$206,000)****(\$206,000)****BOARD OF CERTIFICATION OF  
INTERPRETERS FUND**Cost - Investigation costs (Section  
209.316)\*(Unknown)(Unknown)(Unknown)**EXPECTED NET IMPACT ON  
BOARD OF CERTIFICATION OF  
INTERPRETERS FUND\*****(Unknown)****(Unknown)****(Unknown)****\* Expected to be less than \$100,000**

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
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**GREAT FUND**Income – Department of Elementary and  
Secondary Education (DESE)

Surcharge on certain felony criminal cases (Section 488.5020)	\$168,100	\$201,720	\$201,720
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Costs – DESE

Disbursements to local law enforcement and school districts (Section 589.313)	<u>(\$168,100)</u>	<u>(\$201,720)</u>	<u>(\$201,720)</u>
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**ESTIMATED NET EFFECT ON  
GREAT FUND**

<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
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**AFTER-SCHOOL RETREAT  
READING AND ASSESSMENT  
GRANT PROGRAM FUND**Revenues – DESE

Surcharge on certain felony criminal cases (Section 488.5020)	\$168,100	\$201,720	\$201,720
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Costs – DESE

Administrative costs and disbursements to local school districts (Section 589.313)	<u>(\$168,100)</u>	<u>(\$201,720)</u>	<u>(\$201,720)</u>
--	--------------------	--------------------	--------------------

**ESTIMATED NET EFFECT ON  
AFTER-SCHOOL RETREAT  
READING AND ASSESSMENT  
GRANT PROGRAM FUND**

<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
-------------------	-------------------	-------------------

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
<b>HIGHWAY FUND</b>			
<u>Cost</u> - Department of Revenue – Programming and testing (Section 302.272)	(\$10,000)	\$0	\$0
<b>ESTIMATED NET EFFECT ON HIGHWAY FUND</b>	<b><u>(\$10,000)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
<b>COMMUNITY COLLEGES</b>			
<u>Loss</u> - Loss of Tuition/Fee revenue due to decreased enrollment (Section 160.545)	(Unknown)	(Unknown)	(Unknown)
<b>ESTIMATED NET EFFECT ON COMMUNITY COLLEGES*</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>
<b>* Expected to Exceed \$100,000</b>			
<b>SCHOOL DISTRICTS</b>			
<u>Cost</u> - Election costs (Section 115.124)	(Unknown - Could Exceed \$100,000)	(Unknown - Could Exceed \$100,000)	(Unknown - Could Exceed \$100,000)
<u>Cost</u> - Record Keeping & Reporting Requirements (Section 162.065 and 162.067)	(Unknown - Could Exceed \$100,000)	(Unknown - Could Exceed \$100,000)	(Unknown - Could Exceed \$100,000)
<u>Cost</u> - Career Ladder Payments to teachers (Section 163.031 & 168.515)	(\$3,947,351)	(\$3,947,351)	(\$3,947,351)

**FISCAL IMPACT - Local Government**FY 2005  
(10 Mo.)

FY 2006

FY 2007

**SCHOOL DISTRICTS (Continued)**Cost - Partial payment of contracts of laid off teachers (Section 168.124)(Unknown -  
Expected to  
Exceed  
\$100,000)(Unknown -  
Expected to  
Exceed  
\$100,000)(Unknown -  
Expected to  
Exceed  
\$100,000)Cost - Career Ladder Payments to Speech Pathologists (Section 168.500)

\$0

(Up to  
\$1,500,000)(Up to  
\$1,500,000)Cost - Career Ladder Payments to Speech Pathologists - School District Match (Section 168.500)

\$0

(Up to  
\$1,500,000)(Up to  
\$1,500,000)Cost - GREAT Programs (Section 589.313)

(\$168,100)

(\$201,720)

(\$201,720)

Cost - For After-School Retreat Reading Programs (589.313)

(\$168,100)

(\$201,720)

(\$201,720)

Total Costs to School Districts(\$4,283,551 to  
Unknown)(\$4,350,791 to  
\$7,350,791 or  
Greater)(\$4,350,791 to  
\$7,350,791 or  
Greater)Income - Increased State Aid (Section 171.053)Unknown -  
Expected to  
Exceed  
\$100,000Unknown -  
Expected to  
Exceed  
\$100,000Unknown -  
Expected to  
Exceed  
\$100,000Savings - Reduced Natural Gas Costs (Section 393.310)

\$0

\$0 to Unknown  
- Expected to  
Exceed  
\$100,000\$0 to Unknown  
- Expected to  
Exceed  
\$100,000



**FISCAL IMPACT - State Government**FY 2005  
(10 Mo.)

FY 2006

FY 2007

**SCHOOL DISTRICTS (Continued)**Savings - St Louis Public Schools -  
Advertising costs and other costs  
associated with annual depository bid  
process (Section 165.301)\$0 to Less than  
\$100,000\$0 to Less than  
\$100,000\$0 to Less than  
\$100,000Transfer In - GREAT Fund (Section  
589.313)

\$168,100

\$201,720

\$201,720

Transfer In - After-School Retreat  
Reading and Assessment Grant Program  
Fund (Section 589.313)

\$168,100

\$201,720

\$201,720

Transfer In - State School Moneys Fund -  
Career Ladder Payments (Section 163.031  
& 168.515)

\$3,947,351

\$3,947,351

\$3,947,351

Transfer In - State School Moneys Fund -  
State Match for Career Ladder Payments  
to Speech Pathologists (Section 168.500)\$0Up to  
\$1,500,000Up to  
\$1,500,000Total Income/Savings to School Districts\$4,283,551 to  
Unknown\$4,250,791 Up  
To \$5,850,791  
or Greater\$4,250,791 Up  
To \$5,850,791  
or Greater**ESTIMATED NET EFFECT ON  
SCHOOL DISTRICTS**Unknown to  
(Unknown)(Unknown -  
Expected to  
Exceed  
\$1,500,000)(Unknown -  
Expected to  
Exceed  
\$1,500,000)**FISCAL IMPACT - Small Business**

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

## DESCRIPTION

SECTION 105.454 - Allows a school board member to receive a maximum of \$5,000 per year for services performed for the school district. A school board member may also receive a maximum of \$5,000 per year for any property sold, rented, or leased to any agency of the state, or to any political subdivision in which they are an officer or employee.

Section 115.124 - School board elections are no longer exempt from being held in a case where the number of candidates who have filed for a particular office is equal to the number of positions in that office to be filled by the election. This section reverses legislation passed last session (SB 686, FN 2010-09).

SECTION 160.254 - Current law establishes a Joint Committee on Education comprised of five members from each chamber that meets every four years. This proposal allows the committee to meet in any year that the president pro tem and the speaker appoint members to serve on the committee. The proposal alters the composition of the committee from five members per chamber to seven members per chamber and adds the study of education funding to the committee's charge.

SECTION 160.261 - This section asserts that, should a student be expelled for bringing a weapon to school, violent behavior, or for an act of school violence, that student shall not, for the purposes of the accreditation process of the Missouri school improvement plan, be considered a drop-out or be included in the calculation of that district's educational persistence ratio.

SECTION 160.545 - Currently, a student who qualifies for the A+ Program must attend a public community college or a vocational or technical school. This proposal permits qualified students to attend accredited private vocational and technical schools. Reimbursements at these schools must not exceed the community college tuition rate for similar course work or violate the state constitutional provisions that prohibit the use of public funds for religious purposes.

SECTION 161.415 - This section would increase the number of minority teaching scholarships from 100 to 200 and would increase the amount of the scholarship from \$2,000 to \$3,000 if the student majors in special education. The total scholarship available to any one student from state and from college and university sources pursuant to a match program shall be \$3,000 per year, or in the case of those students entering the special education field, \$4,000 per year.

SECTION 162.032 - Requires successor school districts to ensure access to continuation of health care for retired teachers and employees of a district that lapses, is merged or divided, or otherwise loses its corporate structure, if the original district provided health care benefits at the time of its dissolution.

DESCRIPTION (continued)

SECTION 162.065 & 162.067

School districts must consult the sex offender registration list before selecting bus stops and have manifests with student information for bus drivers so nonstudents can be denied access to buses. Districts must also give transportation program and safety information to students' parents.

SECTION 162.700 - Current law expresses that school districts may coordinate with public, private, and private not-for-profit agencies for the delivery of efficient early childhood special education. This act changes the aforementioned "may" to "shall".

The proposal requires school districts providing early childhood special education to give consideration to the value of continuing services with Part C providers for the remainder of a school year when developing an individualized education program for a student who has received services pursuant to Part C of the Individuals with Disabilities Education Act and reaches the age of three years during a regular school year. The proposal also removes language from the section which specifies that preference shall be given to the continuation of services with the student's private provider unless the cost exceeds the average per student cost of early childhood education in the district.

SECTION 163.031 and 168.515 - Removes the proration factor for the Career Ladder program.

SECTION 163.036 - In computing the amount of state aid a school district is entitled to receive for the minimum school term only under section 163.031, a school district may use an estimate of the number of eligible pupils for the current year, the number of eligible pupils for the immediately preceding year or the number of eligible pupils for the second preceding school year, whichever is greater.

Beginning with the 2005-2006 school year, in order for a school district to utilize the summer school add-on for eligible pupils from the immediately preceding or second preceding school years, the district must provide a state-approved summer-school program in the current year with an average daily attendance that meets or exceeds fifty percent of that district's summer school average daily attendance from the immediately preceding summer. In all other cases, the summer school add-on for eligible pupils shall only include those eligible pupils that attended summer school in the current year, except that a district may petition the commissioner of education for a one time waiver of this provision if the district experiences a natural disaster, financial hardship, or other circumstances that may warrant such a waiver. In order to grant such a waiver, the

DESCRIPTION (continued)

commissioner must determine that a district has made a good-faith effort to operate a complete summer school program with open enrollment to all students.

Beginning with the 2005-2006 school year, the summer school add-on for eligible pupils shall only include those eligible pupils that attended summer school in the current year, except that a district may petition the commissioner of education for a one-time waiver of this provision if the district experiences a natural disaster or some other unanticipated adverse event.

For the 2004-2005 school year, and thereafter, in order for a school district to utilize an eligible pupil count for kindergarten from the immediately preceding or second preceding school years, the district must schedule the same number of hours on a daily basis in the current year for kindergarten instruction as that district scheduled in the immediately preceding or second preceding years for kindergarten instruction. In all other cases, the eligible pupils payment shall only include the current year kindergarten average daily attendance.

SECTION 165.301 - Currently, the Board of Education of the St. Louis Public Schools must advertise for bids from banking institutions once a year, whereas every other school district in the state must bid for such services every three years. This act seeks to authorize a flexible one to five year bid-cycle for the St. Louis Public Schools.

SECTION 167.031, 167.051, 167.052 - Permits the board of education for the St. Louis City school district to adopt a resolution raising the mandatory attendance age in the district from 16 to 17. The provisions of sections 167.031 and 167.051 shall be effective for the school year beginning 2007-008 and shall terminate after the school year ending 2011-2012

SECTION 167.166 - Employees, volunteers, or board members of public schools, including charter schools, are prohibited from performing strip searches on students and may not direct students to supervise or take part in a strip search. Employees who violate this prohibition will be suspended without pay, pending an evidentiary hearing if the employee is entitled to a hearing. If an employee is not entitled to such evidentiary hearing, the employee shall be suspended pending completion of due process.

In the event a certified law enforcement office has probable cause to believe that a student of a public or charter school has concealed a deadly or dangerous weapon on the student's person and is present on the property of the school, such officer may detain the student for the limited purpose of conducting a search. Any student to be strip searched shall not be searched until the student has been given a reasonable opportunity to make contact with the student's parents or legal guardians. (Amendment 22)

DESCRIPTION (continued)

SECTION 167.231 - Districts which are no more than fifteen square miles in size may count as reimbursable miles any mileage less than one mile from school when a student faces a transportation safety hazard such as a major highway.

SECTION 168.104 - Includes certified teachers who teach at the pre-kindergarten level in a non-metropolitan public school in the definition of "teacher".

SECTION 168.124 - Should a Board of Education choose to utilize the mechanism for reducing teacher forces in an attempt to manage adverse financial conditions caused by reductions in *state* education appropriations, then the district additionally shall comply with the following provision: If a school district has an unrestricted combined ending fund balance of more than 10% in its teachers' and incidental funds, and in the subsequent fiscal year such district places a contracted teacher on leave of absence after 40 days subsequent to the Governor signing the Elementary and Secondary Education appropriation bill, the district shall pay the affected teacher the greater of their salary for any days worked under the contract, or a sum equal to three thousand dollars.

SECTION 168.126 - If a school district eliminates non-tenured staff for financial reasons, the district shall place such teachers on leave of absence as provided in Section 168.124.

SECTION 168.211 - The proposed change to this section deletes language that states in the event the board of a metropolitan school district shall dismiss the superintendent during his term, he shall be paid compensation only for the balance of the current year. (SA 11)

SECTION 168.221 - Currently, both teachers and principals are included in the section of the Metropolitan school district's teacher tenure statute which outlines procedures regarding reductions in force. This proposal removes school principals from the section.

SECTIONS 168.303 & 169.712 - Current statute requires employment of at least seventeen hours per week in order to be considered eligible for the classroom teacher "job-sharing" program. This proposal seeks to alter the aforementioned requirement from a minimum of seventeen hours per week to a minimum of fifteen hours per week.

SECTION 168.500 - Currently, a policy of the Department of Elementary and Secondary Education allows teachers who have at least five years of teaching experience and who possess national board certification to automatically become eligible for Stage III of the career ladder program.

DESCRIPTION (continued)

This proposal directs the Commissioner of Education to cause the department to regard a speech pathologist who holds both a valid certificate of license to teach and a Certificate of Clinical Competence to have fulfilled the standards required to be placed on Stage III of the career ladder program, provided that such speech pathologist has been employed by a public school in Missouri for at least five years and is approved for placement at such Stage III by the local school district.

The next four sections pertain to the Kansas City Public School Retirement System

SECTION 169.270 - Redefines the term "regular employee". Current law necessitates that a regular employee work in a position for five hours a day, five days a week. This proposal seeks to alter this provision by requiring that an employee only work a total of twenty-five hours a week, regardless of how many days it takes to work the twenty-five hours.

SECTION 169.291 - Allows the retirement system to appoint more than three physicians to its medical board. Current statute allows for only three physicians on the board.

SECTION 169.295 - Allows the board of trustees to use one or more banks for conducting business. Current statute allows the board to utilize only one bank.

SECTION 169.322 - Allows the medical board to certify, for the purposes of approving a member's disability allowance, that a member is mentally or physically unable to perform their duties based on either a medical examination or other medical information. Current statute allows for such a designation only after a medical examination.

SECTION 169.560 - Allows the hiring of a retired teacher to work between 550 and 800 hours as a teacher, librarian, counselor or other position without losing their retirement benefit. Such a teacher may earn up to 75% of the regular earnings for that position. The act requires the district to contribute the regular contribution percentage, which is 10.5% this year, but will be 11% next year and will continue to increase by 0.5% per year for the next few years. (SA 2)

SECTION 169.577 - Increases the additional creditable service that can be purchased from up to five-tenths of a year to six-tenths of a year to be included in the total of the member's years of creditable service and applied in the computation of the member's annual service retirement allowance. (SA 23)

DESCRIPTION (continued)

DESCRIPTION (continued)

SECTION 169.596 - Current statute allows a person receiving a retirement benefit from the teacher public school retirement system to teach full time for up to two years without losing his or her retirement benefit. This proposal adds language stating that no such person shall be employed as a superintendent under this section.

Senate Amendment 5 proposes that a certificated teacher may be employed as a superintendent if the district has a shortage of superintendents, as determined by both the school district and the state board of education. (SA 5)

Further, this proposal would allow a person receiving a retirement benefit from the non-teacher public school retirement system to be employed full time for up to two years without losing his or her retirement benefit.

SECTION 171.053 - Asserts that any school district which allows an excused absence for athletics or any other extra-curricular activity shall allow any student to use regularly scheduled instructional time as is reasonably necessary for participation in an officially-sanctioned activity of such programs as, but not limited to, Future Farmers of America (FFA) Family, Career and Community Leaders of America (FCCLA), 4-H programs, and Missouri State Fair competition..

The proposal also provides that students may participate in such sanctioned programs while having such participation count as regular school attendance for the purpose of state school aid. (SA 19)

SECTION 172.360

This proposal would eliminate the minimum age qualification for admission to the University of Missouri.

SECTION 174.453

This proposal would articulate new qualifications for the board of governors of Missouri Southern State University - Joplin. Five members would be appointed from seven counties near the University, two members would be appointed from counties other than those seven, and one nonvoting student member would be appointed.

SECTION 209.296 & 209.316 - No person shall represent himself as an interpreter or engage in the practice of interpreting unless he is certified by the Board for Certification of Interpreters. Section 209.316 provides penalty provisions. (SA 1)

DESCRIPTION (continued)

SECTION 209.321 - A person who is an employee or independent contractor of a Missouri public school district and is providing interpreting as part of special education, related services, or supplementary aids and services for students with disabilities, subject to the requirements of state and federal law, shall be exempt from the provisions of section 209.319 to 209.339.

SECTION 210.145 - Enables the Children's Division of the Department of Social Services to meet with a child in a school building or child-care facility provided that the abuse is not alleged to have occurred there. (SA 7)

SECTION 302.272 - Eliminates the annual driver history and criminal background checks for school bus operators who are over the age of 70. Background checks shall continue to be conducted on a renewing applicant's previously established three-year renewal schedule.

SECTION 393.310 - Includes language that extends the experimental tariffs already set in place by the Public Service Commission to coincide with the extended termination date. The termination date for the experimental tariff program has been extended to June 30, 2007, two years after its original termination date.

SECTION 488.5020 - The proposed legislation would assess a \$20 surcharge on all felony court proceedings involving drugs (Chapter 195 RSMo), offenses against the person (Chapter 565), sexual offenses (Chapter 566), robbery, burglary, arson (Chapter 569), stealing (Chapter 570), and weapons (Chapter 571), except when charges are dismissed or when costs are to be paid by the state or political subdivision. (SA 18)

SECTION 589.313 - One-half of the surcharge collected pursuant to Section 488.5020 would be deposited in the Gang Resistance Education and Training (GREAT) Fund, to be administered by DESE, who, in conjunction with local law enforcement, would develop a program for gang resistance training in school districts.

The other one-half of the surcharge would be used to fund the after-school reading retreat program. (SA 18)

The provisions of the proposal would terminate on December 31, 2009.



## DESCRIPTION (continued)

### SECTION 1

The Department of Elementary and Secondary Education shall not reimburse a school district for more than one A+ program coordinator per one thousand two hundred fifty students; however, a school with up to one thousand five hundred students shall be reimbursed for only one A+ coordinator.

### SECTION 2

Professional development requirements for vocational-technical certification or successor certification shall include contact hours relating to the specific vocational-technical subject area for which the educator seeks certification.

### SECTION 3

If a public school district hosts a district-sponsored internet web sit, that district shall post on such site a current version of that district's policy manual and all related documents as well as a current version the that district's handbook(s). SA 10

Sections 163.031, 163.036, 168.515, and 210.145 have an emergency clause with an effective date of July 1, 2004, or upon passage and approval, whichever later occurs.

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

Missouri Senate

Missouri House of Representatives

Coordinating Board for Higher Education

Department of Revenue

State Tax Commission

Division of Motor Vehicles

Parkway School District

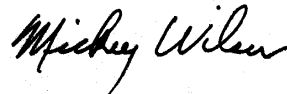
Mexico School District

Columbia Public Schools

Kansas City Missouri School District

SOURCES OF INFORMATION (Continued)

Saint Louis Public Schools  
Joint Committee of Public Employee Retirement  
Missouri Public School Retirement Systems  
Kansas City Public School Retirement System  
Office of Secretary of State  
    Administrative Rules Division  
Special School District of St Louis County  
Department of Social Services  
    Division of Children's Services  
    Division of Youth Services  
Department of Economic Development  
    Public Service Commission  
    Office of Public Council  
    Division of Professional Registration  
    Division of Finance  
Coordinating Board for Higher Education  
Office of State Treasurer  
Department of Corrections  
Office of Attorney General



Mickey Wilson, CPA  
Director  
May 6, 2004