

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3702-02
Bill No.: HCS for HB 1041
Subject: Education, Elementary and Secondary: Elementary and Secondary Education
Dept; Teachers
Type: Original
Date: February 2, 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 OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 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 **Joint Committee on Public Employee Retirement** stated this proposal 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.

KCMSD indicated the other provisions of the proposal would have no increased fiscal impact.

Officials from the **Department of Elementary and Secondary Education (DESE)** indicated this proposal would have no fiscal impact on their agency or school districts. DESE also stated that per contact with **Department of Revenue** regarding Section 302.272, the background check for school bus drivers is currently being conducted upon the three-year renewal schedule;

ASSUMPTION (continued)

therefore, this proposal will not impact current costs.

Officials from **Central Missouri State University** indicated this proposal would have no fiscal impact on charter schools.

<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

SECTION 162.032 - Insurance for Retired Teachers in Dissolved School Districts

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.

SECTION 167.166 - Strip Searches

Employees 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.

DESCRIPTION (continued)

SECTION 168.110 - Salary Schedule Modifications To Retain Teachers

Districts may provide a salary that includes salary schedule modifications to retain teachers based upon demonstrated need for teachers certified in shortage areas. Districts may also provide such schedule modifications to retain teachers with qualities, experience, or credentials that are exceptionally well suited to a district's needs for academic improvement or to compensate teachers who undertake difficult assignments, including but not limited to teaching in a classroom that exceeds the recommended class size for that grade level according to Missouri school improvement program standards. In exchange for such modifications, teachers may be required to teach in the district offering the modification for a period of up to three school years.

SECTION 168.126 - Hiring Incentives/Salary Schedule Modifications for Probationary Teachers

Districts may provide a salary that includes hiring incentives or salary schedule modifications to attract teachers based upon demonstrated need for teachers certified in shortage areas. In exchange for such incentives or modifications, teachers may be required to teach in the district offering the incentive or modification for a period of up to three school years.

SECTION 302.272 - School Bus Driver Permits

Background checks shall continue to be conducted on a renewing applicant's previously established three-year renewal schedule.

Permits districts to offer salary schedule modifications under certain circumstances.

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
Joint Committee on Public Employee Retirement
Public School Retirement System of MO
Central Missouri State University
Kansas City Missouri School District
Department of Revenue

NOT RESPONDING

St Louis Public Schools

A handwritten signature in black ink that reads "Mickey Wilson". The signature is fluid and cursive, with the first name "Mickey" and last name "Wilson" clearly distinguishable.

Mickey Wilson, CPA
Director
February 2, 2004