

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3813-01  
Bill No.: HB 1076  
Subject: Education, Elementary and Secondary; Elementary and Secondary Education Dept  
Type: Original  
Date: April 1, 2004

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
General Revenue	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0 to Unknown</b>	<b>\$0 to Unknown</b>	<b>\$0 to Unknown</b>

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

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

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

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **Office of Administration - Division of Budget and Planning (BAP)** assume there will be no costs or savings to BAP as a result of this proposed legislation.

Officials from the **Department of Elementary and Secondary Education (DESE)** stated that currently DESE administers sixty plus professional development projects. Over 185 individuals are employed outside DESE in these projects. The local one percent is matched by the state's one percent to create regional professional development services to districts that otherwise wouldn't be served. Current programs that could be affected if funding is not appropriated include:

- 1) Missouri School Improvement Program (MSIP) - Data management contract through the Office of Social Economic Data Analysis (OSED), which drives DESE K-12 accreditation process.
- 2) Missouri Standards for Teacher Education Programs (MOSTEP) - Professional development which trains and supports examiners who accredit the sixty-five higher education institutions.
- 3) More Net - Technology training and development for the K-12 educational community.

ASSUMPTION (continued)

- 4) Missouri Assessment Project (MAP) - Training and development of regional MAP facilitators.
- 5) Transition To Teaching - A federal match program which provides individuals with the opportunity to become teachers as an alternative career.
- 6) Regional Professional Development Centers (RPDCs) - DESE provides nine Regional Professional Development Centers.

Additionally, DESE could lose federal funding from No Child Left Behind due to the inability to be in compliance with federal regulations.

**Oversight** assumes there could be savings to General Revenue if funding for every current program is not appropriated; however, there could be a loss in federal funding if certain programs are not funded through the appropriation process. Local school districts could see a loss of funding for services, but would realize a savings in not providing matching funds for programs. The net effect, fiscally, would be zero to local school districts.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
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**GENERAL REVENUE**

<u>Savings</u> - Department of Elementary and Secondary Education - Program funding	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
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<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<u><b>\$0 to Unknown</b></u>	<u><b>\$0 to Unknown</b></u>	<u><b>\$0 to Unknown</b></u>
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**FEDERAL FUNDS**

<u>Loss</u> - Department of Elementary and Secondary Education - Program funding	(\$0 to Unknown)	(\$0 to Unknown)	(\$0 to Unknown)
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<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<u><b>(\$0 to Unknown)</b></u>	<u><b>(\$0 to Unknown)</b></u>	<u><b>(\$0 to Unknown)</b></u>
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FISCAL IMPACT - Local Government

FY 2005  
(10 Mo.)

FY 2006

FY 2007

**SCHOOL DISTRICTS**

Savings - Matching requirements on  
certain programs

\$0 to Unknown

\$0 to Unknown

\$0 to Unknown

Loss - State match for certain programs

(\$0 to  
Unknown)

(\$0 to  
Unknown)

(\$0 to  
Unknown)

**ESTIMATE NET EFFECT ON  
SCHOOL DISTRICTS**

**\$0**

**\$0**

**\$0**

FISCAL IMPACT - Small Business

Small businesses providing professional development services to school districts could be fiscally impacted as a result of this proposal.

DESCRIPTION


Currently, nine-tenths of 1% of the state school aid appropriation, not including categorical aid, is reserved to the Commissioner of Education for use in addressing statewide areas of critical need. This proposal deletes the percentage requirement and many of the specifications for organizations that receive funds for supplying professional development programs and substitutes a requirement that the Department of Elementary and Secondary Education request funds through the appropriation process for a quality professional development program. All of the current areas of critical need and the priority of areas of critical need for management teams for academically deficient schools, grants for districts failing to achieve assessment standards, and for family literacy programs are maintained.

The proposal also deletes the requirement that the department devote one-tenth of 1% of the state aid appropriation to its Success Leads to Success grant program.

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 Administration  
Division of Budget and Planning

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
April 1, 2004