

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0895-04  
Bill No.: SCS for HCS for HB 297  
Subject: Education, Elementary and Secondary; Elementary and Secondary Education Dept  
Type: Original  
Date: April 18, 2005

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Less than \$100,000)</b>	<b>(Less than \$100,000)</b>	<b>(Less than \$100,000)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
<b>Local Government</b>	<b>(Less than \$100,000)</b>	<b>(Less than \$100,000)</b>	<b>(Less than \$100,000)</b>

### FISCAL ANALYSIS

#### ASSUMPTION

#### Section 160.522

Officials from the **Department of Elementary and Secondary Education (DESE)** stated there would be no fiscal impact their agency. DESE did assume that there could be additional printing costs incurred by school districts to provide report cards to certain businesses.

Officials from the **Poplar Bluff School District** indicated there would be no fiscal impact to their district.

Officials from the **Columbia Public School District** estimated a potential savings of \$5,000 in staff time no longer needed for the compilation process for the report card.

Officials from the **Parkway School District** stated this proposal would provide some savings in personnel time that is currently spent compiling data which in this proposal would be unnecessary. Estimated cost savings were less than \$5,000.

Officials from the **Nixa School District** did not respond to a request for fiscal note, but in the introduced version of this proposal indicated there could be cost savings to their district by not producing a report card and that they would be able to use their existing website to provide

ASSUMPTION (continued)

information.

Officials from the **Kansas City School District (District)** did not respond to a request for fiscal note, but in the introduced version of this proposal they stated that most of the data proposed is already included in the existing accountability report cards that the District prepares and distributes by schools to patrons and the public. It would not be difficult to provide the additional statistics proposed in this legislation, because the new statistics included in the proposal are already collected by the District.

Officials from the **Saint Louis School District** did not respond to the request for fiscal note, but in the introduced version of this proposal they indicated there would be no fiscal impact to their district.

**Oversight** assumes, based on responses from various school districts, that no additional costs would be incurred since data was being collected and information disseminated already. Some districts might see some cost savings resulting from the proposal. **Oversight** estimates cost savings statewide to be less than \$100,000.

Section 168.104

According to officials from the **Department of Elementary and Secondary Education (DESE)**, currently there are 12,331 teachers certified with Early Childhood certificates; 7,344 of them are currently working in a school district. This proposal appears to include in the definition of teacher, only those persons teaching in a non-metropolitan public school within a pre-kindergarten program in which no fees are charged to parents or guardians. Removing the remainder from the definition of teacher means that districts will not have to place them on the teacher's salary schedule and will not have to contract with them as required by tenure law. This could be a positive financial impact to districts, but not to early childhood teachers. However, a lack of certified teachers could place districts in jeopardy with regard to Missouri Preschool Program funding resulting in a negative financial impact. Any impact is dependent upon the choices made by the individual districts and cannot be determined by DESE. DESE stated this proposal would have no fiscal impact on their agency.

In response to the introduced version of this proposal, officials from the **Parkway, St Louis City, Francis Howell, and Independence School Districts** stated this proposal would have no fiscal impact on their districts.

ASSUMPTION (continued)

Section 168.211; 168.221 & 168.261

Officials from the **Department of Elementary and Secondary Education** assume this proposal will not have a fiscal impact on their agency or on the school district affected.

Officials from the **Saint Louis Public School District** state this proposal will have no fiscal impact on their district.

**Oversight** assumes that although the proposal leaves the option of appointing of a treasurer, commissioner of school buildings, associate and assistant superintendents, and a director of personnel up to the discretion of the superintendent, with approval by the board, **Oversight** assumes those positions would be filled due to the size of the district.

Section 168.281

Officials from the **Department of Elementary and Secondary Education** indicated this proposed legislation would have no fiscal impact on their agency or on school districts.

Officials from the **Missouri Ethics Commission** stated there would be no cost to their agency.

Officials from the **Salisbury School District** state this proposal would have no fiscal impact on their district.

Section 168.515

Officials from the **Department of Elementary and Secondary Education (DESE)** was not able to estimate the fiscal impact of this proposal as written. DESE; however, assumes the cost to the state would be minimal due to the small number of districts/teachers that would be involved.

Officials from the **Nixa, Marshfield, and Strafford School Districts** indicated there would be no fiscal impact to their districts as a result of this proposed legislation.

**Oversight** assumes that since only thirteen districts are involved and not all of them may choose to re-enter the career ladder program, the financial impact would be less than \$100,000.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
<b>GENERAL REVENUE</b>			
<u>Cost</u> - Teacher Salary Supplements for Career Ladder (Section 168.515)	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(Less than \$100,000)</u></b>	<b><u>(Less than \$100,000)</u></b>	<b><u>(Less than \$100,000)</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
<b>SCHOOL DISTRICTS</b>			
<u>Income</u> - State share of Teacher Salary Supplements for Career Ladder (Section 168.515)	Less than \$100,000	Less than \$100,000	Less than \$100,00
<u>Savings</u> - Personal services (Section 160.522)	Less than \$100,000	Less than \$100,000	Less than \$100,000
<u>Cost</u> - Teacher Salary Supplements for Career Ladder (State and Local Share) (Section 168.515)	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
<b>ESTIMATED NET EFFECT ON SCHOOL DISTRICTS</b>	<b><u>(Less than \$100,000)</u></b>	<b><u>(Less than \$100,000)</u></b>	<b><u>(Less than \$100,000)</u></b>
<u>FISCAL IMPACT - Small Business</u>			

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

## DESCRIPTION

### Section 168.281

This proposal raises the amount school board members may accept for performing services for (or selling property to) their district from \$1,500 to \$5,000.

### Section 160.522

Currently, school districts are required to produce an annual accountability report card for each school building, distribute copies to the households with students, and make copies available to other members of the public upon request. This proposal transfers the responsibility for producing the report card to the Department of Elementary and Secondary Education, specifying that there will be report cards for each district, each public school building in a district, and each charter school. The report card will be designed to satisfy federal and state statistical disclosure requirements about academic achievement, finances, staff, and other indicators.

The proposal makes changes to the contents of the report card and clarifies existing requirements. The requirement to report participation rates in several programs and activities is removed. The report card must disclose each school that has been identified as a priority school under state law or as needing improvement or requiring specific improvement measures under federal law. Districts must make reasonable efforts to provide the report card information to all venues and give preference to distribution methods that will include the information with other important information, such as student report cards.

### Section 168.104

The current definition of "teacher" in the teacher tenure act includes certified teachers who teach at the pre-kindergarten level. This proposed legislation modifies the aforementioned definition by requiring that such prekindergarten teachers, in order to fit the definition of teacher, must teach in a prekindergarten program in which no fees are charged to parents and guardians.

### Section 168.211 & 168.261

This proposal involves the superintendent and teachers of the St. Louis Public school system.

The proposed legislation alters the current statutory requirement that the superintendent's supervision of the school system be subject to the control of the board and instead asserts that the superintendent's supervision of the school system be subject to policies established by the board.

DESCRIPTION (continued)

Current law mandates that the superintendent hire a treasurer, a commissioner of school buildings, as many associate and assistant superintendents as the superintendent deems necessary, as well as director of personnel. This proposed legislation alters the aforementioned mandate so that the superintendent has the option as to whether to fill such positions.

Current law requires that only the district's teaching appointments and promotions be based on merit. Under the provisions of this proposal, all of the district's employee appointments and promotions will be merit-based.

Section 168.221

Currently, both metropolitan school district 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 proposed legislation removes school principals from the section.

Section 168.515

Current law states that when a school district interrupts its career ladder program and in a subsequent school year renews its participation, the district must reenter the program on the cost-sharing basis specified in statute.

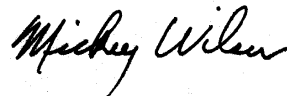
This proposal would allow any school district that participated in the career ladder program prior to the 2001-2002 school year but ceased its participation at any time from July 1, 2001, to July 1, 2005, to resume participation in the program at the same matching level for which the district qualified during its last year of participation, provided that the district reenters the program no later than July 1, 2006.

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 State Courts Administrator  
Missouri Ethics Commission  
School Districts

Columbia  
Poplar Bluff  
Parkway  
Salisbury  
Kansas City  
St Louis City  
Francis Howell  
Independence  
Nixa  
Marshfield  
Strafford

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

Mickey Wilson, CPA  
Director  
April 18, 2005