

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2048-02
Bill No.: HB 823
Subject: Education, Elementary and Secondary: Children and Minors; Health, Public
Type: Original
Date: April 12, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue*	(Up to \$2,654,593)	(Up to \$2,688,904)	(Up to \$2,793,770)
Total Estimated Net Effect on General Revenue Fund*	(Up to \$2,654,593)	(Up to \$2,688,904)	(Up to \$2,793,770)

***Subject to appropriation**

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

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government*	Up to \$2,654,593	Up to \$2,688,904	Up to \$2,793,770

***Subject to appropriation**

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Secretary of State (SOS)** assumed the rules, regulations and forms issued by the Department of Health and Senior Services could require as many as 4 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 \$246 for FY 2006. 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of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.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.

Officials from the **Department of Elementary and Secondary Education (DESE)** state the proposal has no impact on DESE; however, the program requires the Department of Health and Senior Services to establish a "Model School Wellness Program" through which moneys appropriated by the general assembly shall be used by selected school districts to establish

ASSUMPTION (continued)

school-based pilot programs focusing on encouraging students to establish and maintain healthy lifestyles.

According to officials from the **Department of Health and Senior Services (DHSS)**, they would need three FTE and contract for the services of an evaluator to do program evaluation. These staff would administer the program. Funding would need to be appropriated for the funds that go to the school districts and to DHSS for the additional personnel.

The fiscal calculations assume funds will be available for 40-50 contracts to schools to participate in this program. A Planner III would provide technical assistance, consultation and contract monitoring to the schools. The Planner III would also have the lead in developing the selection criterion and methods for distribution of districts applying for the funds. The Health Program Representative II would manage the day-to-day financial and program issues, ensuring participants receive their funds in a timely manner. The Office Support Assistant would provide clerical support to program staff.

A contract for an evaluator for the program would require a similar workload of a public health epidemiologist at .25 FTE ($\$57,060 \times \frac{1}{4} = \$14,625$ annually).

It is unknown how much funding would be required for contracts. Assuming \$50,000 per contract, the cost could range \$2-2.5 million for program costs.

For fiscal note purposes only, **Oversight** has not included costs for rental space, travel, or equipment.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
GENERAL REVENUE			
<u>Cost</u> - Department of Health and Senior Services (DOHSS) - Model School Wellness Program*	(Up to \$2,500,000)	(Up to \$2,500,000)	(Up to \$2,500,000)
<u>Cost</u> - DOHSS - Costs to administer Model School Wellness Program			
Personal Costs	(\$91,410)	(\$112,434)	(\$115,245)
Fringe Benefits	(\$38,996)	(\$47,964)	(\$49,164)
Expenses	(\$12,300)	(\$13,813)	(\$114,227)
Contract for Evaluator	<u>(\$11,887)</u>	<u>(\$14,693)</u>	<u>(\$15,134)</u>
TOTAL Administrative Costs*	<u>(\$154,593)</u>	<u>(\$188,904)</u>	<u>(\$293,770)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE*	<u>(Up to \$2,654,593)</u>	<u>(Up to \$2,688,904)</u>	<u>(Up to \$2,793,770)</u>
*Subject to Appropriation			

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
SCHOOL DISTRICTS			
<u>Income</u> - Grants from School Wellness Program*	Up to \$2,500,000	Up to \$2,500,000	Up to \$2,500,000
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS*	<u>Up to \$2,500,000</u>	<u>Up to \$2,500,000</u>	<u>Up to \$2,500,000</u>
*Subject to Appropriation			

FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposed legislation establishes the Model School Wellness Program, administered by the Department of Health and Senior Services, to create pilot programs in school districts encouraging students to avoid tobacco use, balance their diets, get regular exercise, and become familiar with chronic medical conditions resulting from being overweight. School districts receiving the grants will establish programs that address academic success and encourage links between school and home.

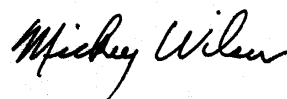
The tobacco prevention initiative will focus on fourth and fifth grades, while the obesity prevention element will cover kindergarten through fifth grade. The proposal requires hands-on professional development and an evaluation after the 2005-2006 school year that will include changes in body mass index and measurement of changing behaviors related to nutrition, physical activity, and tobacco use.

The provisions of the proposal will expire six years from the effective date.

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
Department of Health and Senior Services
Office of Secretary of State
Administrative Rules Division



Mickey Wilson, CPA
Director
April 12, 2005