

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0230-02
Bill No.: HB 417
Subject: Education, Elementary and Secondary: Elementary and Secondary Education
Dept; Teachers
Type: Original
Date: February 6, 2007

Bill Summary: Establishes the Competitive Advantage Act

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Secretary of State (SOS)** assume many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact to the SOS office for Administrative Rules is less than \$2,500. The SOS recognizes this is a small amount and does not expect additional funding would be required to meet these costs. However, SOS also recognizes that many such bills may be passed in a given year and that collectively the costs may be in excess of what the SOS can sustain with their core budget. Any additional required funding would be handled through the budget process.

Officials from the **Department of Elementary and Secondary Education (DES)** state that § 168.021 of this proposal establishes a new licensure method. Each prospective teacher would have to have his/her transcripts evaluated. Then based on a "relevant" bachelor's degree in math, science, or a list of degrees in ancillary fields, the department would issue a certificate. There appears to be no requirements for the district wanting to hire the person; therefore, DES could get flooded with any number of requests. If as few as 1,000 people applied, it would take 4 hours each to process. This would require 1.0 FTE admin. assistant and 1.0 FTE supervisor to accommodate the workload. DES indicated they had no way to estimate the number of applicants. (*§ 168.021*)

Oversight assumes that this section of the proposal expands the certification criteria by allowing applicants with degrees in major areas of study to be granted teaching certificates under certain conditions, at the discretion of the State Board of Education. The areas considered relate to state and federal mathematics, engineering, technology, and science initiatives or other related disciplines. Since the number of potential applicants is unknown, for fiscal note purposes, **Oversight** assumes the program can be administered with existing resources. If the amount of applicants is large and additional personnel are needed, funds to support the program would be sought through the appropriations process.

Requests for responses were sent to several school districts, none of which responded.

Oversight assume that the provisions of that proposal that deal with salary schedule modifications or hiring incentives are permissive, therefore, no fiscal impact is assigned to the local school districts. (*§ 168.110 & 168.126*)

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<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.

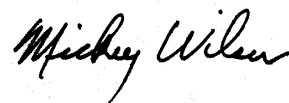
FISCAL DESCRIPTION

This proposed legislation appears to have no fiscal impact.

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 Secretary of State
Administrative Rules Division



Mickey Wilson, CPA
Director
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