

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3147-04  
Bill No.: SCS for HCS for HB 1305  
Subject: Education, Elementary and Secondary  
Type: Original  
Date: April 14, 2008

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Bill Summary: Gives individual school districts the option to exempt students from transferring from outside the state to a Missouri high school from certain course and test requirements; allows school districts to participate in the A+ Schools Program irrespective of their accreditation status; establishes a school-based influenza vaccination pilot program

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	(\$171,027)	(\$258,662)	(\$171,027 or Up to \$1,092,867)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$171,027)</b>	<b>(\$258,662)</b>	<b>(\$171,027 or Up to \$1,092,867)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<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 10 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ 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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## 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 for this proposal 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.

#### §160.545 - A+ Schools

Officials from the **Department of Elementary and Secondary Education (DESE)** assume that this proposal currently would allow students from St. Louis City and Wellston to participate in the A+ program provided they meet all other requirements.

The enrollment of 11th grade students for Wellston is 26 and St. Louis City is 1,801. DESE estimates that twenty-five percent of those students would become eligible for A+ reimbursement and of that number only twenty-five percent would take advantage of the program. This assumption would result in a pool of 115 students.

Assuming \$334 as the average cost per credit hour of 25 public community colleges and vocational and technical schools and assuming 12 credit hours in the first year, costs for two semesters would be \$921,840. Costs for the second year would likely double as the number of students would remain the same.

DESE would require an additional FTE accounting specialist.

**Oversight** notes that, according to information on the DESE web site, Division of School Improvement: A+ Schools, "In most cases, high schools spend three years implementing the program by upgrading curriculum, reducing dropout rates, promoting high student achievement and establishing business advisory councils." **Oversight** will assume, for fiscal note purposes, that the program would not be in place until at least FY 2011. If these schools seek A+ designation and additional personal services are needed for additional students in the program, those resources can be sought through the budget process.

ASSUMPTION (continued)

Officials from the **Charleston School District** state this proposal will not affect their school district as they are already part of the A+ program.

Officials from the **St Louis Public School District** state no funds are used from the General Operating Budget, but this proposal would eliminate the burden from their Development Department from attempting to raise money beyond the 2010 program. No direct fiscal impact is indicated.

§170.011 - Student transfer exemptions

**DESE** officials state this section of the proposal will have no fiscal impact on their agency or on local school districts.

§170.400 - Supplemental education services

According to **DESE** officials, the new language includes the phrase “supplemental education services” which is not defined in the proposal but which has meaning under “No Child Left Behind” as follows:

Low-income families can enroll their child in supplemental educational services if their child attends a Title I school that has been designated by the state to be in need of improvement for more than one year. The term ""supplemental educational services"" refers to free extra academic help, such as tutoring or remedial help, that is provided to students in subjects such as reading, language arts, and math. This extra help can be provided before or after school, on weekends, or in the summer.

Each State Education Agency is required to identify organizations that qualify to provide these services. Districts must make a list available to parents of state-approved supplemental educational services providers in the area and must let parents choose the provider that will best meet the educational needs of the child.

Providers of supplemental educational services may include nonprofit entities, for-profit entities, local educational agencies, public schools, public charter schools, private schools, public or private institutions of higher education, and faith-based organizations. Entities that would like to be included on the list of eligible providers must contact their state education agency and meet the criteria established by the state to be considered for the list of eligible providers.

This section provides a requirement allowing students to “retain” equipment used in the course of

ASSUMPTION (continued)

“supplemental education services” upon completion of those services. The federal definition of supplemental educational services in a Title I program does not appear to include equipment but rather “extra academic help such as tutoring or other remedial help”. This section as written does not apply to special education services provided to a student under an IEP. DESE has assigned no cost to this section.

§192.631 - Influenza vaccination pilot program

Officials from the **Department of Social Services (DOS)** assume the proposal requires the Department of Health and Senior Services (DHSS) to develop this program. It is assumed that MO HealthNet participant children would continue to receive their immunizations through the Vaccine for Children program and that the pilot project would provide immunizations for non MO HealthNet participant children. It is assumed that DOS will not be directly affected and there will be no additional costs to their agency. DOS could use exiting resources to cooperate with DHSS in the flu vaccination awareness program in child care facilities

Officials from **DESE** assume the proposal would have no fiscal impact on their agency. Local school districts will incur unknown administrative costs to track and record the vaccinations.

**Oversight** assumes the local school districts could absorb the costs to track and record the vaccinations.

Officials from the **Department of Health and Senior Services (DOHSS)** assume this section requires DOHSS to establish a school-based influenza vaccination program. DOHSS consulted with Dr. Robert Steele's medical group for assistance on developing assumptions to administer the program, since his group already operates a similar program in the Southwest part of the state. The medical group has encountered issues in dealing with Family Education Rights and Privacy Act, such as not being allowed to determine insurance status of individual students. Thus, their practice sends consent forms for the vaccines (via the school nurse) to the student's parents, who make the decision whether or not their child will receive the immunization. The parents complete the consent form and return it to the school, along with a dollar amount to pay for the vaccine. The school nurse facilitates receipt of the consent forms and money. Dr. Steele's group purchases the vaccine from a private source, and the school reimburses the practice for the cost of the vaccine with dollars collected from the students.

The pilot will run in three separate schools to represent three different school sizes. The costs are based on cost of vaccine given to 50 percent of the school's population, or 250 for the small school, 1,500 for the medium school, and 2,500 for the large school. The summary below

ASSUMPTION (continued)

provides the costs for each school participating in the pilot:

	Cost per student	Small School (500)	Medium School (3,000)	Large School (5,000)
# receiving the vaccine	1	250	1,500	2,500
Vaccine cost	\$18.50	\$4,625	\$27,750	\$46,250
Dose administration cost	\$0.38	\$95	\$570	\$950
Printed materials	\$0.87	\$435	\$2,610	\$4,350
TOTAL	\$18.90	\$5,155	\$30,930	\$51,500
Total supplies for all three schools:				<b>\$87,635.00</b>

Note: Vaccine cost is the actual cost of delivering a dose of vaccine. Dose administration costs include gloves, tissues, and Epi-pens. Printed materials include consent forms, vaccine information sheets, and informational sheets for parents.

To administer the program, DOHSS is requesting a total of 1.5 FTE, including 0.3 FTE for a Public Health Nurse, 0.75 FTE for a Health Program Rep. II, and 0.45 FTE for a Senior Office Support Assistant. The staff will coordinate ordering the vaccine through the Centers for Disease Control and Prevention, provide nurse consultation to advise and coordinate with school nurses; and personnel time to gather data and analyze the findings of how effectiveness the pilot program was. Standard expense and equipment would be needed for these staff.

Since it is assumed one year will be enough time to gauge the effectiveness of the pilot program, funding is requested only for one year to allow the pilot to run only during the 2009-2010 school year. Since DOHSS will be required to promulgate rules prior to implementing the program, it is assumed funding would be needed for the pilot program during FY 2010.

**Oversight** assumes the DOHSS could absorb a 0.3 Public Health Nurse FTE, a 0.75 Health Program Rep. II FTE and a 0.45 Senior Office Support Assistant FTE for the one year project. Oversight assumes any significant increase in the workload of the DOHSS would be reflected in future budget request.

This section also requires that DOHSS distribute influenza vaccination awareness information to the parents and child care facilities of children ages six months to five years in August or September every year.

ASSUMPTION (continued)

DOHSS is requesting an additional 0.75 FTE for a Health Program Representative II to carry out the influenza vaccination awareness portion of the legislation. The duties of the Health Program Representative II will be to work on the informational materials, research issues, oversee the production and shipping of these materials, direct the development of the mailing list, serve as technical advisor to schools, day-cares, and parental inquiries, and work with the vaccine providers to inform them of state actions and vaccine requirements. This position will also work closely with the pilot project. They will be responsible for tabulating the pilot project and its results, reporting on the efficacy of the project, and taking follow-up actions to close out the pilot and initiate any follow up work at the request of schools or the legislature.

The proposed legislation states, "The department shall cooperate with the Department of Social Services and the Department of Elementary and Secondary Education (DESE) in order to distribute the information to the parents and child care facilities effectively in August or September in every year." As a result of working with DESE, the department assumes they would be responsible for disseminating influenza vaccination awareness information to all school age children. Missouri's current total student enrollment is approximately 1,135,157: 146,177 children in licensed day care facilities (Bureau of Child Care Licensing), 907,421 children in public schools (Department of Elementary and Secondary Education), and 81,559 children in private schools (Bureau of Immunization Assessment and Assurance). Based on a current order of a three-page three-color brochure, the influenza vaccination awareness information will cost approximately \$0.39 per page, for a total of \$1.17 per brochure (\$0.39 x 3 pages). Based on the total reported enrollment for the current year, the department will need 1,135,157 brochures for a total cost of \$1,328,134 (1,135,157 brochures x \$1.17 each).

DOHSS assumes that many families have more than one child in the household and would not need multiple materials. Therefore, by using the estimated number based on the student enrollment for the current year, there would be a surplus of informational materials that could be used as children move into the state during the year or to hand out to teachers and at various events.

DHSS plans to distribute the brochures through the Department of Elementary and Secondary Education and therefore assumes no postage costs.

**Oversight** assumes the proposal requires DOHSS to increase awareness among parents of children ages six months to five years in child care facilities. For fiscal note purposes only, the cost for brochures will shown as \$171,027, based on 146,177 children in licensed day care facilities. Oversight also assumes that since the awareness program only applies to children ages six months to five years in child care facilities and not to all school children that DOHSS will not

ASSUMPTION (continued)

need additional personal services to administer this portion of the proposal. Oversight assumes any significant increase in the workload of the DOHSS would be reflected in future budget request.

This section also states, "The official website of the department shall have information on the benefits of annual vaccination against influenza for children and its programs offered for the children." The DOHSS website currently includes some information regarding this subject. If any updates are needed, DOHSS will absorb the costs.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
<b>GENERAL REVENUE</b>			
<u>Cost</u> - Department of Elementary and Secondary Education - Reimbursements for additional A+ students (\$160.545)	\$0	\$0	\$0 or (Up to \$921,840)
<u>Cost</u> - Department of Health and Senior Services - Vaccine, dose administration, and printed materials (\$192.631)	\$0	(\$87,635)	\$0
<u>Cost</u> - Department of Health and Senior Services - Awareness program (\$192.631.2)	<u>(\$171,027)</u>	<u>(\$171,027)</u>	<u>(\$171,027)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(\$171,027)</u></b>	<b><u>(\$258,662)</u></b>	<b><u>(\$171,027 or Up to \$1,092,867)</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
	<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

*§160.545 - A+ Schools*

This section allows a school district to participate in the A+ Schools Program regardless of its accreditation classification by the State Board of Education provided it meets all other requirements.

*§192.631 - Influenza vaccination pilot program*

This section provides that by July 1, 2009, the Department of Health and Senior Services (DOHSS) shall establish a school-based influenza vaccination pilot program. Participation in the program will be voluntary for on the part of the school district and shall be administered with the consent of the student's parents or legal guardian. DOHSS shall also take into account the cost and benefits, fiscal impact to the state, and any barriers to implementing such a program.

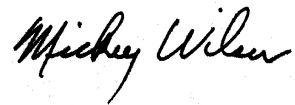
DOHSS shall also work to increase influenza immunization awareness and participation among parents of children six months to five years of age in child care facilities.

This program will expire in six years unless re-authorized by the General Assembly.

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  
Department of Social Services  
Office of Secretary of State  
    Administrative Rules Division  
School Districts  
    St Louis City  
    Charleston

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large, stylized 'M' and 'W'.

Mickey Wilson, CPA  
Director  
April 14, 2008