

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5173-01
Bill No.: HB 2266
Subject: Teachers; Education, Higher; Education, Elementary and Secondary
Type: Original
Date: April 5, 2008

Bill Summary: This proposal revises the Missouri Teaching Fellows Program.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
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 2009	FY 2010	FY 2011
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the State Treasurer** and the **Department of Elementary and Secondary Education** assume that there is no fiscal impact from this proposal.

Officials at the **Department of Higher Education (DHE)** assume the following:

Currently, the statute specifies that award amounts will be adjusted for inflation. The DHE assumes that inflation for FY 09 through FY 11 will be the same as it was for FY 08 (4.3%). The DHE concludes, therefore, that the award amount for students in their first through fourth years of teaching was \$5,000 for FY 09 and will be \$5,215 for FY 10 and \$5,439 for FY 11. The award amount for students in their fifth year of teaching was \$1,000 for FY 09 and will be \$1,043 for FY 10 and \$1,088 for FY 11.

Currently, the statute specifies that no more than \$1 million may be appropriated to fund the program per year, and that amount shall be adjusted for inflation annually. The DHE assumes that inflation for FY 09 through FY 11 will be the same as it was for FY 08 (4.3%). The DHE concludes, therefore, that the maximum appropriation for FY 09 was \$1,000,000 and will be \$1,043,000 for FY 10 and \$1,087,849 for FY 11.

The DHE assumes that it would need to hire one FTE Program Specialist to administer the program, including reviewing institutional eligibility requirements and working with participating institutions in order to distribute funds accurately and smoothly. The Program Specialist would start at \$35,000 per year plus associated expenses in FY 09.

The DHE assumes that the maximum number of participants will receive awards through the program. Because the DHE cannot exceed the statutory maximum annual appropriation mentioned above, the DHE assumes that there will be 47 participants in FY 09, 94 participants in FY 10, and 141 participants in FY 11.

Oversight assumes that this proposal is only tightening the requirements of an eligible applicant and is not creating a new program. Therefore the Department of Higher Education can use its existing staff to continue to monitor this program.

Officials from the **Office of the Secretary of State (SOS)** state 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 for

ASSUMPTION (continued)

this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

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.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<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.

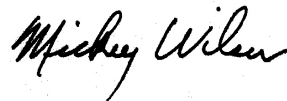
FISCAL DESCRIPTION

The 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

Office of the State Treasurer
Department of Elementary and Secondary Education
Department of Higher Education
Office of the Secretary of State

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

Mickey Wilson, CPA
Director
April 5, 2008