

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5581-02
Bill No.: HB 2582
Subject: Education, Elementary and Secondary: Elementary and Secondary Education
Department
Type: Original
Date: April 8, 2008

Bill Summary: Establishes scholarships for future special education teachers.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)
Total Estimated Net Effect on General Revenue Fund	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)

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	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Higher Education** state this proposal will have no foreseeable fiscal impact on their agency.

Officials from the **Department of Elementary and Secondary Education (DESE)** cannot estimate the cost of this proposal; however, it appears the proposal could result in significant costs in general revenue and in matching funds for the colleges and universities.

DESE has never administered a "semester" scholarship, only yearly scholarships. This would require at least .5 FTE administrative assistant to track students who have semester loans/scholarships. The colleges and universities will likely encounter problems in tracking students, per semester, per matching funds.

Subsection 4 of the proposal makes the scholarships available to people in vocationally approved programs for non-certified individuals. Clarifying language is needed to determine what this means (paraprofessionals, individually assigned support for physical therapy, etc.). DESE has never provided funding for non-certified people. DESE would require 1.0 FTE supervisor to handle this portion of the proposal.

Oversight assumes this proposed legislation is permissive as the language in the proposal states that colleges and universities that wish to have the scholarships provided shall provide matching funds that are not to be taken from money made available to the college or university from state funds. **Oversight** notes that the Missouri Teacher Education Scholarship Program which is now in place had General Revenue expenditures of \$227,004 in FY 2006, \$225,500 in FY 2007, and \$249,000 planned for FY 2008 with the same amount recommended for FY 2009. Until the number of colleges and universities that would chose to participate in this expanded program and to what extent they would participate, **Oversight** assumes additional personal services would not be required by DESE. If the program grows to the point where additional services are needed, funding for personal services can be requested through the budget process. For fiscal note purposes only, Oversight will assume the expanded program could result in (Unknown - Could exceed \$100,000) costs to General Revenue and to colleges, universities, community colleges, and vocational schools.

Officials from **Linn State Technical College** state this proposal would have no fiscal impact on their college.

ASSUMPTION (continued)

Officials from the **Kansas City Metropolitan Community College** state this proposal would result in an estimated cost of \$40,000 in matching scholarship funds.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
GENERAL REVENUE			
<u>Cost</u> - Department of Elementary and Secondary Education - Scholarships	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(Unknown - Could exceed \$100,000)</u>	<u>(Unknown - Could exceed \$100,000)</u>	<u>(Unknown - Could exceed \$100,000)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
LOCAL POLITICAL SUBDIVISIONS			
<u>Cost</u> - Colleges and Universities - Matching funds for scholarships	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>(Unknown - Could exceed \$100,000)</u>	<u>(Unknown - Could exceed \$100,000)</u>	<u>(Unknown - Could exceed \$100,000)</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

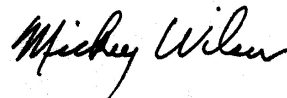
This proposal adds two renewable teacher preparation scholarships to the existing one-year nonrenewable award (Missouri Teacher Education Scholarship). A \$1,500 scholarship is available to Missouri high school graduates and community college students who commit to teach in special education upon certification, and a \$500 one-semester scholarship is available to Missouri high school graduates who currently work in a classroom with students with individualized education programs who enter approved programs at community colleges or vocational schools for acquiring skills to work with the students.

Matching funds that are required from the colleges, universities, community colleges, or vocational schools shall not be taken from money made available to these institutions from state funds.

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 Higher Education
Linn State Technical College
Kansas City Metropolitan Community College



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Director
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