

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1867-01  
Bill No.: HB 805  
Subject: Education, Elementary and Secondary: Elementary and Secondary Education  
Department; Teachers  
Type: Original  
Date: March 24, 2009

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Bill Summary: Establishes the Professional Relationships Between Teachers and School Districts Act

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
General Revenue	(Unknown - Not expected to exceed \$100,000)	(Unknown - Not expected to exceed \$100,000)	(Unknown - Not expected to exceed \$100,000)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Unknown - Not expected to exceed \$100,000)</b>	<b>(Unknown - Not expected to exceed \$100,000)</b>	<b>(Unknown - Not expected to exceed \$100,000)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
<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 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
<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 2010	FY 2011	FY 2012
<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 2010	FY 2011	FY 2012
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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## **FISCAL ANALYSIS**

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### **ASSUMPTION**

Officials from the **Office of State Courts Administrator** state this proposal will have no fiscal impact on the Courts.

Officials from the **Office of Prosecution Services (OPS)** state this proposal will have no measurable fiscal impact on OPS or elected prosecuting attorneys.

Officials from the **Department of Corrections and the Office of State Public Defender** state this proposal will have no fiscal impact on their respective agencies.

According to officials from the **Office of Secretary of State (SOS)**, many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the proposal. 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 this fiscal note to the SOS for Administrative Rules is less than \$2,500.

**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)** assume that at the state level, the costs would be similar to a public sector labor relations process, with a commission established to settle disputes and investigate unfair union or employer labor practices. DESE defers to the Department of Labor and Industrial Relations regarding such costs. DESE also defers to the local districts regarding costs to districts.

The **Department of Labor and Industrial Relations (DOLIR)** estimates an increase in the number of petitions filed and hearings held. There are currently 523 school districts and 28 charter schools that will be affected by the proposed legislation. DOLIR estimates an increase in travel costs and administrative expenses, such as envelopes and postage. It is not possible to determine the exact fiscal impact at this time due to the uncertainty of workload.

Officials from the **Sikeston School District** responded to the request for fiscal note but did not provide an estimate of fiscal impact.

ASSUMPTION (continued)

**Oversight** assumes potential costs to school districts are speculative and for fiscal note purposes will not be assigned. **Oversight** assumes any monies received from fines that would be transmitted to the State School Moneys Fund are speculative and for fiscal note purposes will not be assigned.

**This proposal was sent to several other school districts who did not respond to a request for fiscal note.**

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
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**GENERAL REVENUE**

Cost - Department of Labor and Industrial  
 Relations - Administrative and hearing  
 costs

(Unknown - Not expected to exceed \$100,000)	(Unknown - Not expected to exceed \$100,000)	(Unknown - Not expected to exceed \$100,000)
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**EXPECTED NET EFFECT ON  
 GENERAL REVENUE**

<u>(Unknown - Not expected to exceed \$100,000)</u>	<u>(Unknown - Not expected to exceed \$100,000)</u>	<u>(Unknown - Not expected to exceed \$100,000)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<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 establishes the Professional Relationships Between Teachers and School Districts Act which specifies the procedures under which local school boards can meet and negotiate with employee organizations.

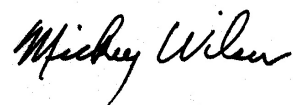
School employers will be fined up to \$5,000 for an illegal lockout, and each member of the public school employer's governing board and school superintendent will be subject to a \$250 fine per day for an illegal lock out.

Each school district and employee organization must enter into a written agreement which will be sent to the local school board after it is ratified by the employee organization to accept or send back for further negotiating at which time the local school board may enter into impasse procedures or arbitration as allowed by school district policy. The agreement is binding after ratification by the employee organization and approval by the local board of education and is a public document. The negotiation meetings are covered under the Open Meetings and Records Law, commonly known as the Sunshine Law.

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 Labor and Industrial Relations  
Office of State Courts Administrator  
Department of Corrections  
Office of State Courts Administrator  
Office of State Public Defender  
Office of Prosecution Services  
Office of Secretary of State  
Administrative Rules Division



L.R. No. 1867-01  
Bill No. HB 805  
Page 6 of 6  
March 24, 2009

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Director  
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