

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3843-01
Bill No.: HB 1803
Subject: Teachers; Drugs and Controlled Substances
Type: Original
Date: February 9, 2010

Bill Summary: This proposal requires the board of education of each school district to adopt a policy for the random testing of the district's teachers and other employees for the unlawful use of controlled substances.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
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 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
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 2011	FY 2012	FY 2013
Local Government	Exceeds (\$660,000)	Exceeds (\$660,000)	Exceeds (\$660,000)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services** state this proposal will have no fiscal impact on their agency.

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** have determined that an 8-panel drug check on a urine sample is approximately \$40. Fees may be less depending on the quantity of samples tested. Collection fees may also apply (locally that cost is \$15). With 550 local education authorities (LEA) randomly sampling 20 people each year, the cost could exceed \$440,000 with collection fees and a supply of jars with lids. "For-cause" testing would pose additional costs.

Testing of potential new employees would be hard to estimate. Employment turnover is high for substitute teachers. With 550 LEAs testing an estimated 10 potential new employees per year, the cost could exceed \$220,000.

Officials from the **Independence School District** state the fiscal impact of this proposal to their district is dependent on the definition of "random". If they tested all employees, it would cost \$116,000 (2,900 employees x \$40/test).

Officials from the **Francis Howell School District** state their district currently has a random drug testing program for students at a cost of about \$51 per test. Assuming they would test 25% of the staff each year, the proposed legislation would have a \$31,000 fiscal impact on their district.

Officials from the **Sikeston School District** state that the fiscal impact of the proposed

ASSUMPTION (continued)

legislation would be that of testing, and the various processes developed to implement the proposal.

Officials from the **Parkway School District**, in response to a similar proposal from last session (HB 290 - FN 383-01), estimated a cost of approximately \$56,500 for the first year, which includes initial set-up. This is based on testing 50% of their 1,400 employees at \$40 per test, and the random selection software.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
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LOCAL POLITICAL SUBDIVISIONS

<u>Cost</u> - School Districts - Drug testing	Exceeds <u>(\$660,000)</u>	Exceeds <u>(\$660,000)</u>	Exceeds <u>(\$660,000)</u>
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ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>Exceeds</u> <u>(\$660,000)</u>	<u>Exceeds</u> <u>(\$660,000)</u>	<u>Exceeds</u> <u>(\$660,000)</u>
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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 requires all school districts to adopt policies pursuant to the rules and regulations adopted by the Department of Elementary and Secondary Education for the random and the for-cause testing of teachers and other employees for unlawful use of controlled substances and for testing potential new employees. Anyone who tests positive must be terminated immediately.

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
Office of Secretary of State
 Administrative Rules Division
School Districts
 Independence
 Francis Howell
 Sikeston
 Parkway



Mickey Wilson, CPA
Director
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