

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1393-01  
Bill No.: HB 570  
Subject: Elementary and Secondary Education; Department of Elementary and Secondary Education  
Type: Original  
Date: March 1, 2019

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Bill Summary: This proposal allows school districts to implement a plan of alternative methods of instruction to avoid make-up days.

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
<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 2020	FY 2021	FY 2022
<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 2020	FY 2021	FY 2022
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
<b>Local Government</b>	<b>\$0</b>	<b>\$0 to Unknown</b>	<b>\$0 to Unknown</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **Department of Elementary and Secondary Education (DESE)** assume the proposal will result in no cost to the department.

Officials from the **Springfield Public Schools** assume the proposal will have no fiscal impact on their organization.

In response to a similar proposal, HB 281 (2019), officials from the **Northeast Nodaway R-5 School District** and **Wellsville-Middletown R-1 School District** each assumed the proposal would have no fiscal impact on their respective organizations.

**Oversight** notes that the responding organizations stated the proposal would not have a direct fiscal impact on their respective organizations. However, Oversight assumes school districts could possibly save on transportation costs if they are allowed to implement alternative instructions plans including virtual learning methods. Oversight will show a range of \$0 to an unknown savings to school districts.

Officials from the **Francis Howell School District** assume for a school district as large as Francis Howell (17,000 students) this would require the acquisition of a learning management system. I estimate the cost of such a system to be \$100,000 per year. Not all of the cost could be attributed to the requirements of this proposal. Assuming that we utilize the learning management system an average of three days per school year, the cost would be approximately \$2,000, or about \$670/day.

**Oversight** notes this proposal does not require a school district to acquire an alternative method of instruction. Rather, this proposal allows alternative methods to be used during an exceptional or emergency circumstance. Oversight will not show a cost to school districts purchasing alternative methods of instruction.

Oversight received a limited number of responses from school districts related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

ASSUMPTION (continued)

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other school districts were requested to respond to this proposed legislation but did not. For a general listing of political subdivisions included in our database, please refer to [www.legislativeoversight.mo.gov](http://www.legislativeoversight.mo.gov).

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 this fiscal note to the SOS for Administrative Rules is less than \$5,000. 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 require additional resources.

Officials from the **Joint Committee on Administrative Rules (JCAR)** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

**Oversight** assumes JCAR will be able to administer any rules resulting from this proposal with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2020  
(10 Mo.)

FY 2021

FY 2022

**SCHOOL DISTRICT FUNDS**

Savings - transportation costs

\$0   \$0 to Unknown   \$0 to Unknown

**ESTIMATED NET EFFECT ON  
SCHOOL DISTRICTS**

**\$0**   **\$0 to Unknown**   **\$0 to Unknown**

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This bill specifies that beginning in the 2020-21 school year a district shall not be required to make up hours lost due to exceptional or emergency circumstances, provided that the district has an alternative methods of instruction plan approved by the Department of Elementary and Secondary Education. The district must notify students and parents if the alternative method of instruction plan is being implemented for the day and provide assignments either in hard copy or electronic form. A district may only use the plan for up to 45 hours per school year. The bill specifies what the alternative methods of the instruction plan application should describe.

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  
Springfield Public Schools  
Northeast Nodaway R-5 School District  
Wellsville-Middletown R-1 School District  
Francis Howell School District

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SOURCES OF INFORMATION (continued)

Office of the Secretary of State  
Joint Committee on Administrative Rules

Kyle Rieman  
Director  
March 1, 2019



Ross Strobe  
Assistant Director  
March 1, 2019