

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4686H.011
Bill No.: HB 2423
Subject: Education, Elementary and Secondary; Department of Elementary and Secondary
Education; Teachers; Children and Minors; Transportation
Type: Original
Date: February 11, 2024

Bill Summary: This proposal modifies provisions governing school transportation.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	(\$27,439)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$27,439)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue (DOR)** state the following:

§168.133.1-2

The changes proposed in this section add language to include “or the governing board of a charter school” as an entity required to ensure background check requirements for screened volunteers or those employed by the school or charter school. No DOR fiscal impact.

§168.133.3

The changes proposed in this section add language to include “or the governing board of a charter school” as an entity required to ensure background check requirements for persons employed as school bus drivers and drivers of other vehicles for the school district or charter school used for the purpose of transporting school children. No DOR fiscal impact.

§302.010

This section proposes to modify the definition of a school bus as it applies to sections 301.10 to 302.540 RSMo.

This proposed change in this section modifies the definition of school bus to no longer apply to noncommercial license types carrying 15 or fewer passengers in including the driver. This would be eliminating the requirement for issuance of a Class E for-hire noncommercial license with a school bus endorsement and the screening requirements currently applied to school bus endorsed noncommercial drivers.

The proposed definition change varies from definitions also included in §301.010 as it applies to motor vehicles, section §304.010, and as referenced in other sections under Chapter §304, and as used in Chapter §307, which creates discrepancy and confusion related to the definition of “school bus” and applicability in law.

Administrative Impact

The Department would be required to:

- Work with OA ITSD and new MVDL Integrated System vendor to define changes to current and modernized driver license issuance systems to remove allowance and requirements for a Class E with school bus “S” endorsement and develop programs to remove the endorsement from current Class E holders at time of renewal.
- Complete user testing.
- Develop website changes.
- Modify forms and procedures, including the Missouri Driver Guide online and printed version.
- Complete training.

- Develop social media and other public information release.

FY 2024- Driver License Bureau

Research/Data Assistant 160 hrs. @ \$19.38 per hr. = \$3,200

Research/Data Analyst 180 hrs. @ \$28.89 per hr. = \$5,200

Administrative Manager 40 hrs. @ \$31.86 per hr. = \$1,274

Total \$9,674

FY 2024-Personnel Services Bureau

Research/Data Analyst 30 hrs. @ \$28.89 per hr. = \$867

Total = \$10,541

The Department will absorb the \$10,541 administrative cost for this proposal.

The fiscal impact estimated in the above administrative impact is based on changes in the current Department's Motor Vehicle and Driver Licensing system environment. The implementation of this legislation will be coordinated with the integration of the Department's Motor Vehicle and Driver Licensing software integrated system approved and passed by the general assembly in 2020 (Senate Bill 176).

MVDL Integrated System - "FUSION"

Estimated development and coordinating effort: 40 hours @ \$250 per hr. = \$10,000

Estimated testing effort: 40 hours @ \$250 per hr. = \$10,000

Total = \$20,000

Officials from the **Office of Administration (OA) - Information Technology Services Division (ITSD)** assume every new IT project/system will be bid out because all ITSD resources are at full capacity. This proposal will require programming and configuration changes to prevent S endorsement from class E license. ITSD estimates the project will require 70.85 hours at a contracted rate of \$105/hr. The total cost is \$7,439 in FY 2025.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the costs provided by DESE and ITSD for fiscal note purposes.

Officials from the **Department of Elementary and Secondary Education, Department of Mental Health, Department of Public Safety – Director's Office, Department of Public Safety - Missouri Highway Patrol, and Department of Social Services** each assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Officials from the **Office of the State Courts Administrator** did not respond to **Oversight's** request for fiscal impact for this proposal.

Oversight received no 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 approval to publish a new fiscal note. Oversight only reflects the responses received from state agencies and political subdivisions; however, school districts were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

Oversight assumes a minimal amount of additional revenue will be collected into the Criminal Records Fund from additional background checks as a result of this proposal and will not reflect it in the fiscal note.

Rule Promulgation

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

Officials from the **Office of the Secretary of State (SOS)** note 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 its 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.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE			
<u>Costs – DOR/ITSD – programing and configuration changes</u>	(\$7,439)	\$0	\$0
<u>Costs – DOR – FUSION System Integration §302.010</u>	(\$20,000)	\$0	\$0
ESTIMATED NET EFFECT ON GENERAL REVENUE	(\$27,439)	\$0	\$0

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

There is a potential minimal economic impact annually for contract license offices due to removal of the requirement for those transporting fewer than 15 passengers for school transportation purposes no longer applying to upgrade to a Class E as a result of this proposal.

FISCAL DESCRIPTION

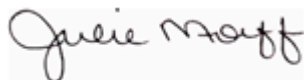
This bill expands the current background check requirements for school districts to specifically include charter schools. The bill includes drivers of other vehicles owned by school districts and charter schools in the requirement for a background check and clarifies that for drivers employed or contracted by a pupil transportation company under contract with a school district or charter school the pupil transportation company shall conduct the criminal background check.

The bill changes the definition for "school bus" as used in Sections 302.010 to 302.540, RSMo from a motor vehicle designed for carrying more than 10 passengers to more than 15 passengers.

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 Revenue
 Department of Elementary and Secondary Education
 Department of Mental Health
 Department of Public Safety – Director’s Office
 Department of Public Safety - Missouri Highway Patrol
 Department of Social Services
 Office of the Secretary of State
 Joint Committee on Administrative Rules



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 February 11, 2024



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 Assistant Director
 February 11, 2024