

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4732H.01P  
Bill No.: Perfected HB 1945  
Subject: Teachers; Education, Elementary and Secondary; Department of Elementary and Secondary Education; Department of Economic Development  
Type: Original  
Date: April 2, 2024

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Bill Summary: This proposal modifies provisions governing teacher externships.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</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.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<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 \$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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Local Government</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** and the **Department of Economic Development (DED)** both assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for both above organizations.

**Oversight** notes, with the proposal, HCS for HB 604 (2019), the DED and DESE created rules for the program regarding requirements for teacher externships to be considered equivalent to credit hours of graduate-level courses for salary schedules.

**Oversight** notes Section 163.172 outlined the minimum starting salary for a teacher of \$25,000 and for teachers with master's degrees the minimum is \$33,000. Should DED and DESE determine that externships be allowed to be substituted for graduate-level courses, Oversight assumed it was possible that teachers may move up their district's salary schedule quicker.

**Oversight** notes that according to the [DESE Certified Externship: Information Guide](#)

Requirements of the Externship Program are:

1. The extern participant is to spend a required total of 120 hours at the host industry site. This will equate to two (2) college graduate hours for possible advancement on the district's salary schedule. The site must be a prior district-approved location.
2. Complete the outlined requirements that include the following:
  - a. Making daily journal/reflections (one page per day) during the experience;
  - b. Developing a unit plan, lesson plan, presentation, or improvement plan for implementation that the educator will share with instructors, administrators, board of education, or any other group as specified by the participant's district at their direction.
  - c. Evaluating the externship experience.
  - d. Writing a thank you note to the host site.
3. Be punctual, appropriately dressed, and follow the host site instructions for working at the assigned facility.
4. Actively seek out opportunities to learn about the company and to identify company resources that may be useful to students and colleagues.

**Oversight** notes according to the [DESE statistics of Missouri Public School 2022-2023](#) there were 70,572 classroom teachers.

**Oversight** will show this proposal could have a \$0 (no change to salary schedules) to an Unknown impact, on the school districts for increased teacher salaries, due to the continuation of the program, after the proposal was set to expire August 28, 2024

In response to the similar proposal HCS for HB 462 (2019), officials at the **Raymore-Peculiar School District** assumed they have only had teachers participate in externships using the grant and that these externships are minimal time involvement. They noted that teachers can move laterally on the salary schedule for each 8 hours of graduate credit they have. Each 8 hours is worth about \$700. If the hours lead to an advanced degree, the increase in salary is \$2,500 annually per teacher.

In response to the similar proposal HCS for HB 462 (2019), officials at the **Columbia Public Schools** stated they have teachers that participate in externships in the local community and that those are done for 6-8 weeks in the summer months.

In response to the similar proposal, HCS for HB 462 (2019), officials at the **Bellevue R-III School District** stated they can not afford to hire substitute teachers and pay a teacher, so they do not participate in externships.

In response to a similar proposal, HCS for HB 462 (2019), officials at the **Wellsville Middletown R-1 School District** do not have teachers that participate in externships.

**Oversight** only reflects the responses received from state agencies and political subdivisions; however, other 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.

#### 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
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
<b>LOCAL SCHOOL DISTRICTS</b>			
Costs – §168.025 - Potential salary adjustments from credit earned on externships	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
<b>NET EFFECT ON THE LOCAL SCHOOL DISTRICTS</b>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill repeals the sunset provision for the teacher externship program that was set to expire August 28th, 2024.

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 Economic Development  
 Joint Committee on Administrative Rules  
 Office of the Secretary of State



Julie Morff  
 Director  
 April 2, 2024



Ross Strope  
 Assistant Director  
 April 2, 2024