

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3812-01
Bill No.: SB 1021
Subject: Education, Elementary and Secondary: Elementary and Secondary Education
Dept; Teachers
Type: Original
Date: February 3, 2004

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|----------------|--------------------|--------------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| General Revenue | \$0 | (\$125,000) | (\$125,000) |
| | | | |
| Total Estimated Net Effect on General Revenue Fund | \$0 | (\$125,000) | (\$125,000) |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| State School Moneys | \$0 | \$0 | \$0 |
| | | | |
| Total Estimated Net Effect on Other State Funds | \$0 | \$0* | \$0 |

*** Offsetting Transfers In and Out Total \$125,000**

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|-------------------------------------|------------|--------------------|--------------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| Local Government | \$0 | (\$125,000) | (\$125,000) |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development - Division of Professional Registration**, after reviewing the proposed legislation and having sought the conclusion of the appropriate board(s), are of the opinion that this proposal has no fiscal impact on the division.

According to officials from the **Department of Elementary and Secondary Education (DESE)**, to date there are 112 speech pathologists reported in core data for the 2003-04 school year. This legislation is unclear as to whether a district not participating in the career ladder program could participate only for the speech pathologists. It is unknown as to the number of these individuals holding the certificate of clinical competence. DESE estimates the cost of this change is likely to be between \$156,800 and \$280,000 based on the following calculation:

112 Speech Pathologists X 50% (state match for career ladder) X \$5,000(Stage III career ladder)
 = \$280,000 if all participate

112 Speech Pathologists X 50% (state match for career ladder) X \$5,000(Stage III career ladder)
 X 56% (percent of Speech Pathologists teaching in districts currently participating in career ladder) = \$156,800 (if only those districts currently participating on Career Ladder take advantage)

ASSUMPTION (continued)

DESE officials also provided this additional information:

- * 94 of the 112 Speech Pathologists have teaching certificates
- * 62 of the 112 Speech Pathologists are in districts that participate in the career ladder program
- * 50 of those 62 Speech Pathologists have been teaching for more than five years

Oversight assumes since most teaching contracts are finalized in March and April, and this proposal has no emergency clause, this proposal would not be in effect until FY 2006.

Oversight assumes that any of the Speech Pathologists with teaching certificates that have been employed by the schools for at least five years would participate in the career ladder program, if available. Based on the number that could be eligible at this time (approximately 50), the state match would be approximately \$125,000. **Oversight** is unable to determine how many might be eligible in the future with new persons becoming eligible and others leaving the profession, but assume the range would remain at approximately \$125,000 annually for the state match. School districts participating in the program would also be responsible for approximately \$125,000 annually for their corresponding match.

| <u>FISCAL IMPACT - State Government</u> | FY 2005 (10 Mo.) | FY 2006 | FY 2007 |
|---|---------------------|---------------------------|---------------------------|
| GENERAL REVENUE FUND | | | |
| <u>Cost</u> - Elementary and Secondary | | | |
| Education Dept. - Career Ladder Match | \$0 | (\$125,000) | (\$125,000) |
| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | <u>\$0</u> | <u>(\$125,000)</u> | <u>(\$125,000)</u> |
| STATE SCHOOL MONEYS FUND | | | |
| <u>Transfer In</u> - General Revenue for Career | | | |
| Ladder Match | \$0 | \$125,000 | \$125,000 |
| <u>Transfer Out</u> - Distribution to School | | | |
| Districts for Career Ladder Payments to | | | |
| Teachers | <u>\$0</u> | <u>(\$125,000)</u> | <u>(\$125,000)</u> |
| ESTIMATED NET EFFECT ON STATE SCHOOL MONEYS FUND | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

| <u>FISCAL IMPACT - Local Government</u> | FY 2005 (10 Mo.) | FY 2006 | FY 2007 |
|--|---------------------|---------------------------|---------------------------|
| SCHOOL DISTRICTS | | | |
| <u>Transfer In</u> - State Match for Career Ladder Payment to Teachers | \$0 | \$125,000 | \$125,000 |
| <u>Transfer Out</u> - Career Ladder Payments to Teachers | \$0 | (\$125,000) | (\$125,000) |
| <u>Cost</u> - Career Ladder Payments to Teachers - School District Match | <u>\$0</u> | <u>(\$125,000)</u> | <u>(\$125,000)</u> |
| ESTIMATED NET EFFECT ON SCHOOL DISTRICTS | <u>\$0</u> | <u>(\$125,000)</u> | <u>(\$125,000)</u> |

FISCAL IMPACT - Small Business

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

DESCRIPTION

Currently, a policy of the Department of Elementary and Secondary Education allows teachers who have at least five years of teaching experience and who possess national board certification to automatically become eligible for Stage III of the career ladder program.

This proposal directs the Commissioner of Education to cause the department to regard a speech pathologist who holds both a valid certificate of license to teach and a Certificate of Clinical Competence to have fulfilled the standards required to be placed on Stage III of the career ladder program, provided that such speech pathologist has been employed by a public school in Missouri for at least five years.

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
Division of Professional Registration

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 3, 2004