

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4787-01
Bill No.: SB 1347
Subject: Courts; Department of Elementary and Secondary Education
Type: Original
Date: March 29, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
GREAT	\$0	\$0	\$0
After-School Retreat Reading and Assessment Grant Program	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 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	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Treasurer, Springfield Police Department**, and the **St. Louis Metropolitan Police Department** assume the proposal would have no fiscal impact on their agencies.

Officials from the **Department of Elementary and Secondary Education (DESE)** state the proposal would require DESE to administer a “Gang Resistance Education and Training Program” (GREAT) for school districts which DESE determines are in need of such programs. The impact on DESE would be minimal as the curriculum, federal funding for law enforcement agencies, guidelines, and agreements with school districts have already been established by the federal government. DESE assumes DPS will provide costs related to training.

In addition, the proposal would require DESE to develop a grant program to provide school districts with matching grants to fund the after-school reading retreat program. DESE would require 1 FTE Supervisor (at \$47,616 per year) and 1 FTE Administrative Assistant (at \$25,812 per year) to establish grant criteria, provide copies of criteria to all school districts, promulgate grant application forms, review proposals, award grants, and administer the program. Cumulative costs to develop grant application forms, print copies of grant criteria and distribute to all school districts, and acquire grant reader services should be less than \$100,000.

ASSUMPTION (continued)

It should be noted that the proposal would also create a \$20 surcharge to be assessed as costs in each court proceeding filed in any court in the state in all felony criminal cases involving chapters 195, 565, 566, 569, 570, and 571, RSMo. Fifty percent of these funds shall be used to promote the GREAT program and an amount of up to fifty percent shall be used to fund the after school reading retreat program. DESE defers to the Office of State Courts Administrator regarding the potential quantity of funding.

Oversight assumes the after-school retreat reading program was authorized in the 2001 session by CCS for HCS for SB 319. DESE requested 2 FTE in the fiscal note for this bill. Oversight assumes the program was not initiated and the 2 FTE requested for this proposal are the same as those requested for CCS for HCS for SB 319. Therefore, Oversight assumes no personnel cost to DESE for this proposal. Oversight also assumes any administrative costs associated with the after-school retreat reading program would be paid out of the after-school retreat reading and assessment great program fund.

Officials from the **Office of the State Courts Administrator (CTS)** estimates, based on FY 2003 data, that the surcharge would apply to 20,979 circuit-level felony cases, and 4,236 associate circuit felony preliminary cases, for a total of 25,215 cases. Based on an average collection rate of 80 percent, the surcharge could provide about \$403,440 ($25,215 \times \$20 \times 80\%$) per year.

Officials from the **Columbia School District** responded to Oversight's request but issued no fiscal impact statement.

Officials from the **Kansas City School District** assume the proposed legislation will generate additional revenue for the district. They are unable to determine a dollar amount because they have no data on which to base the estimate.

Officials from the **St. Louis Public Schools** assume there could be some revenues received. However, the amount cannot be determined at this time.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
GREAT FUND			
<u>Income</u> – Department of Elementary and Secondary Education (DESE)			
Surcharge on certain felony criminal cases	\$168,100	\$201,720	\$201,720
<u>Costs</u> – DESE			
Disbursements to local law enforcement and school districts	<u>(\$168,100)</u>	<u>(\$201,720)</u>	<u>(\$201,720)</u>
ESTIMATED NET EFFECT ON GREAT FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 AFTER-SCHOOL RETREAT READING AND ASSESSMENT GRANT PROGRAM FUND			
<u>Revenues</u> – Department of Elementary and Secondary Education (DESE)			
Surcharge on certain felony criminal cases	\$168,100	\$201,720	\$201,720
<u>Costs</u> – DESE			
Administrative costs and disbursements to local school districts	<u>(\$168,100)</u>	<u>(\$201,720)</u>	<u>(\$201,720)</u>
ESTIMATED NET EFFECT ON AFTER-SCHOOL RETREAT READING AND ASSESSMENT GRANT PROGRAM FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
POLITICAL SUBDIVISIONS			
<u>Revenues</u> – School Districts			
From GREAT Fund	\$168,100	\$201,720	\$201,720
From After-School Retreat Reading and Assessment Grant Program Fund	<u>\$168,100</u>	<u>\$201,720</u>	<u>\$201,720</u>
<u>Total Revenues</u> – School Districts	\$336,200	\$403,440	\$403,440
<u>Costs</u> – School Districts			
For GREAT Programs	(\$168,100)	(\$201,720)	(\$201,720)
For After-School Retreat Reading Programs	<u>(\$168,100)</u>	<u>(\$201,720)</u>	<u>(\$201,720)</u>
<u>Total Costs</u> – School Districts	<u>(\$336,200)</u>	<u>(\$403,440)</u>	<u>(\$403,440)</u>
ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

The proposed legislation would assess a \$20 surcharge on all felony court proceedings involving drugs (Chapter 195 RSMo), offenses against the person (Chapter 565), sexual offenses (Chapter 566), robbery, burglary, arson (Chapter 569), stealing (Chapter 570), and weapons (Chapter 571), except when charges are dismissed or when costs are to be paid by the state or political subdivision.

One-half of the surcharge would be deposited in the Gang Resistance Education and Training (GREAT) Fund, to be administered by the Department of Elementary and Secondary Education (DESE). DESE, in conjunction with local law enforcement, would develop a program for gang resistance training in school districts.

The other one-half of the surcharge would be used to fund the after-school reading retreat program.

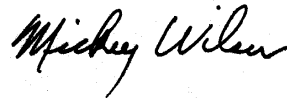
DESCRIPTION (continued)

The provisions of the proposal would terminate on December 31, 2009.

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

Office of State Courts Administrator
Department of Elementary and Secondary Education
State Treasurer's Office
St. Louis Metropolitan Police Department
Springfield Police Department
Columbia School District
Kansas City School District
St. Louis Public Schools



Mickey Wilson, CPA
Director
March 29, 2004