

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1754-01
Bill No.: SB 438
Subject: Education, Elementary and Secondary: Teachers
Type: Original
Date: February 15, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$220,000 to \$373,120)	(\$425,000 to \$728,195)	(\$630,000 to \$1,090,782)
Total Estimated Net Effect on <u>All</u> State Funds	(\$220,000 to \$373,120)	(\$425,000 to 728,195)	(\$630,000 to \$1,090,782)

- SUBJECT TO APPROPRIATION -

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Net Effect On School Districts	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **State Treasurer's Office**, in responses to similar proposals, assumed the proposal would result in no fiscal impact to the agency.

Officials from the **Secretary of State's Office (SOS)** assume the rules, regulations and forms issued by the Department of Elementary and Secondary Education could require as many as approximately 12 pages in the Code of State Regulations. For any given rule, roughly half again as many pages are published in the Missouri Register as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the Missouri Register is \$23. The estimated cost of a page in the Code of State Regulations is \$27. The actual costs could be more or less the SOS's estimated cost of \$738 for FY 2002. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.

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 request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Elementary and Secondary Education (DESE)** noted that there are 44 National Board Certified teachers in Missouri. They anticipate 41 teachers will achieve National Board certification in each subsequent year. The average annual salary for teachers in Missouri public schools was \$34,807 (according to the 1998-99 Report of the Public Schools of Missouri). For fiscal note purposes, officials assumed 2.5% per year average salary increases.

Seventy-four candidates have applied for National Board certification for the 2000-01 school year. Assuming 56% become certified, 41 candidates would become eligible for bonuses in FY 2003.

Assuming similar numbers of newly Board certified teachers for the 2001-02 school year, the number of teachers eligible for Board-certification bonuses would be 126 for FY 2004.

DESE officials assumed that all Board certified teachers would become part of an approved mentoring program.

ASSUMPTION (continued)

FY 2002:

44 teachers x \$5,000 (certification bonus) =	\$220,000
44 teachers x \$3,480 (10% of average salary) =	<u>\$153,120</u>
Total	\$373,120

FY 2003:

85 teachers x \$5,000 (certification bonus) =	\$425,000
85 teachers x \$3,567 (10% of average salary) =	<u>\$303,195</u>
Total	\$728,195

FY 2004:

126 teachers x \$5,000 (certification bonus) =	\$630,000
126 teachers x \$3,657 (10% of average salary) =	<u>\$460,782</u>
Total	\$1,090,782

DESE would not, initially, request additional resources for review and monitoring of the mentoring programs.

Oversight notes that the mentoring bonuses "may" be granted and has ranged costs for the fiscal note from the amount for Board certification bonuses only to the amount for all bonuses.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
GENERAL REVENUE FUND			
<u>Cost</u> - Department of Elementary and Secondary Education			
Mentor and Board Certification Teacher Incentive Bonuses	(\$220,000 to \$373,120)	(\$425,000 to \$728,195)	(\$630,000 to \$1,090,782)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$220,000 to \$373,120)</u>	<u>(\$415,000 to \$728,195)</u>	<u>(\$630,000 to \$1,090,782)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
SCHOOL DISTRICTS			
<u>Income</u> - State Aid	\$220,000 to \$373,120	\$425,000 to \$728,195	\$630,000 to \$1,090,782

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FISCAL IMPACT - Local Government

	FY 2002 (10 Mo.)	FY 2003	FY 2004
<u>Cost</u> - Teacher Bonuses	(\$220,000 to \$373,120)	(\$425,000 to \$728,195)	(\$630,000 to \$1,090,782)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<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 proposal would require the State Board of Education establish a program of salary supplements for public school teachers receiving National Board for Professional Teaching Standards certification. The supplement would be \$5,000 per year for ten years, beginning in the school year in which a teacher became Board certified.

The proposal would allow Board certified teachers to receive payments of ten percent (10%) of base pay for school years in which the teachers served as mentor teachers to other teachers seeking board certification. School districts could establish mentoring programs meeting standards set by the State Board of Education.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. The proposal would not affect Total State Revenue.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Secretary of State



Jeanne Jarrett, CPA
Director
February 15, 2001