

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1487-03  
Bill No.: HCS for HB 631  
Subject: Education, Higher; Higher Education Department; Teachers  
Type: Original  
Date: March 10, 2009

Bill Summary: This proposal changes the laws regarding the Missouri Teaching Fellows Program.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
General Revenue	(\$2,500)	(\$52,500)	(\$105,180)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$2,500)</b>	<b>(\$52,500)</b>	<b>(\$105,180)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Missouri Teaching Fellows Program Fund	\$0	\$0	\$0
<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.  
This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</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 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

ASSUMPTION

Officials at the **Department of Higher Education (DHE)** estimates that approximately 10 additional persons would participate in the program each year starting with the 2010-2011 academic year (FY 11), and that each of those 10 persons would receive the entire \$5,000 reimbursement/payment for the first four years, then \$1,000 in their fifth year.

The statute provides for payments to be adjusted for inflation. The DHE assumes that the payment amount will be the amount set forth in the statute for the first year the payment is made, then will increase in each year thereafter. The DHE assumes that the rate of inflation will be 2.7% each year. This is the average CPI increase over the last five years (calculated using data from the Bureau of Labor Statistics' website).

The DHE also estimates that it would need approximately \$2,500 to educate potential participants about the program. These funds would be in addition to funds currently used to promote the program because we would be reaching out to an entirely different audience. Currently, marketing efforts focus on high school students; this bill would require the DHE to reach out to college students as well.

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
# of additional participants	0	10	20	30	40	50
reimbursement payment each person receives in years 1-4	0	\$5,000	\$5,134	\$5,272	\$5,413	\$5,558
reimbursement payment each person receives in year 5	0	0	0	0	0	\$1,000
cost to promote program	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Total Cost	\$2,500	52,500	105,180	160,648	219,015	234,817

ASSUMPTION (continued)

Officials at the **University of Missouri, Francis Howell School District, Metropolitan Community College, Special School District, Missouri Southern State University, Truman State University, University of Central Missouri, Missouri Western State University, Sikeston R-6 School District, Lincoln University, Missouri State University, University of Missouri** and the **Linn State Technical College** assume that there is no fiscal impact from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
<b>GENERAL REVENUE FUND</b>			
<u>Transfer Out</u> - Mo Teaching Fellows Program Fund - scholarship & program costs	<u>(\$2,500)</u>	<u>(\$52,500)</u>	<u>(\$105,180)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>(\$2,500)</u></b>	<b><u>(\$52,500)</u></b>	<b><u>(\$105,180)</u></b>
<b>MO TEACHING FELLOW PROGRAM FUND</b>			
<u>Transfer In</u> - from General Revenue scholarship & program costs	\$2,500	\$52,500	\$105,180
<u>Cost</u> - Dept. of Higher Education additional scholarships & program costs	<u>(\$2,500)</u>	<u>(\$52,500)</u>	<u>(\$105,180)</u>
<b>ESTIMATED NET EFFECT ON MO TEACHING FELLOW PROGRAM FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

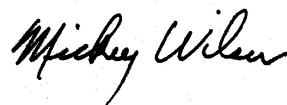
Currently, the Missouri Teaching Fellows Program provides scholarships for certain students who have at least a 3.0 on their college grade point average (GPA). This bill raises the required GPA to 3.25.

The bill also adds teachers obtaining a license after August 28, 2009, who are hired and agree to teach for five years in a district that is not accredited to those eligible for a scholarship under the program.

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

University of Missouri  
Special School District  
Metropolitan Community College  
Francis Howell School District  
University of Central Missouri  
Missouri Southern State University  
Truman State University  
Department of Higher Education  
Missouri Western State University  
Linn State Technical College  
Sikeston R-6 School District  
Lincoln University  
Missouri State University  
University of Missouri



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