

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2476-01
Bill No.: HB 1165
Subject: Education, Higher
Type: Original
Date: April 6, 2015

Bill Summary: This proposal specifies information that public institutions of higher education must make available.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
College and University Funds	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any Of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Officials at the **University of Central Missouri (UCM)** estimate this proposal would have a fiscal impact on UCM in annual increased costs, and start up costs the first year. Annual cost of \$12,948 first year, and that or more, depending on salary increases, each following year for the hiring of an office professional to gather this information, maintain the website, and regularly gather updated information to assure accuracy of the posted information.

At a minimum, UCM would estimate the cost of this level of half-time office professional would be approximately:

\$10/hour X 20 hours per week = \$10,400 per year (salary)
\$10,400 (salary) X .245 (fringe rate) = \$2,548 (benefits)
Total \$12,948 (salary & benefits)

In addition, UCM would need to provide computer equipment at approximately \$1,200
Grand Total = a minimum of \$14,148 1st year, and \$12,948 each subsequent year.

Officials at the **Department of Higher Education** and the **St. Louis Community College** each assume there is no fiscal impact to their respective organizations from this proposal.

Oversight notes this proposal requires Colleges and Universities to post on their public websites specific information regarding their degree programs including course material, costs, and availability of jobs in those degree fields. Oversight assumes that the requirement to post all degree offerings, course materials, costs associated with obtaining a certain degree and housing costs can be done with existing College and University resources.

Oversight assumes the collection of the job market and graduation rate information required to be posted would take additional resources for the collection of the information. Oversight will show the collection of this data as Unknown greater than \$100,000, in the aggregate, for all Colleges and Universities.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
COLLEGE AND UNIVERSITY FUNDS			
<u>Costs - Colleges and Universities</u>	(Unknown greater than	(Unknown greater than	(Unknown greater than
Collection of job market and graduation data	<u>\$100,000)</u>	<u>\$100,000)</u>	<u>\$100,000)</u>
ESTIMATED NET EFFECT ON COLLEGE AND UNIVERSITY FUNDS	(Unknown greater than <u>\$100,000)</u>	(Unknown greater than <u>\$100,000)</u>	(Unknown greater than <u>\$100,000)</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2016 (10 Mo.)	 FY 2017	 FY 2018
	<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.

FISCAL DESCRIPTION

This bill requires all public institutions of higher education to post alongside their degree offerings, either on-line or in a course catalog, the following information for each degree program offered:

- (1) Estimated cost of the degree based on the hours required to complete the degree program, the books likely required to complete the degree program, and the on-campus housing costs for the number of academic years likely required to complete the degree program;
- (2) Types of employment opportunities generally expected to be available for students who earn the degree;
- (3) The current job market for people who have earned the degree;
- (4) The number and percentage of students who earned the degree employed within one year of graduation for the most recent graduating class for which data are available and, for the students

FISCAL DESCRIPTION (continued)

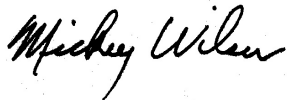
so employed, their average income; and

(5) The number and percentage of students who earned the degree employed within one year of graduation in a field closely related to the degree program for the most recent graduating class for which data are available.

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 Higher Education
St. Louis Community College
University of Central Missouri



Mickey Wilson, CPA
Director
April 6, 2015

Ross Strobe
Assistant Director
April 6, 2015