

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6023-02
Bill No.: Perfected HCS for HB 2327
Subject: Education, Elementary and Secondary
Type: Original
Date: April 21, 2016

Bill Summary: This proposal establishes the Urban Education Institute.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	\$0 or (Could exceed \$100,000)	\$0 or (Could exceed \$100,000)	\$0 or (Could exceed \$100,000)
Total Estimated Net Effect on General Revenue	\$0 or (Could exceed \$100,000)	\$0 or (Could exceed \$100,000)	\$0 or (Could exceed \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
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 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§174.340 Urban Education Institute

Oversight notes this proposal establishes the Urban Education Institute, a collaboration between students and faculty at Harris-Stowe State University. The Institute is to create a plan to address the urban educational crisis in Missouri. This program is subject to appropriations.

Officials at the **Department of Higher Education (DHE)** assume they would need to promulgate rules and that the rules can be created using existing resources.

Officials at the **Joint Committee on Administrative Rules** assume there is no fiscal impact from this proposal.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

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.

Oversight will show the impact as \$0 (no money appropriated for the collaboration) or funding that could exceed \$100,000 to General Revenue.

§174.125 Trauma Informed Approach Training (HA 2)

Oversight notes this proposal requires all teacher-training institutions that receive state aid to require students to demonstrate proficiency on the concepts of trauma-informed approach. Oversight assumes this may require the institutions to either add to their existing curriculum or add a new course. Any costs associated with new course work would be offset by tuition. Oversight assumes this proposal would not have a fiscal impact.

ASSUMPTION (continued)

In response to similar legislation filed this year, HB 2575, officials at the **Department of Higher Education** assumed there was no fiscal impact from this proposal.

In response to similar legislation filed this year, HB 2575, officials at the **Metropolitan Community College** assumed any costs associated with this proposal would be offset by the tuition/fees paid by the student.

In response to similar legislation filed this year, HB 2575, officials at the **University of Central Missouri** assumed no impact on the University. Students may need to take an additional course, but that cost would be paid by the student.

In response to similar legislation filed this year, HB 2575, officials at the **State Technical College of Missouri** assumed there was no fiscal impact from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
GENERAL REVENUE			
<u>Cost - DHE - Funding for the Urban Education Institute</u>	\$0 or (Could exceed <u>\$100,000</u>)	\$0 or (Could exceed <u>\$100,000</u>)	\$0 or (Could exceed <u>\$100,000</u>)
ESTIMATED NET EFFECT ON GENERAL REVENUE	\$0 or (Could exceed <u>\$100,000</u>)	\$0 or (Could exceed <u>\$100,000</u>)	\$0 or (Could exceed <u>\$100,000</u>)
<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<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

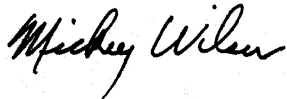
This bill establishes the Urban Education Institute, to address the urban education crisis and to develop a framework to improve quality education in urban areas and public schools.

The provisions of this bill shall sunset six years after the effective date unless reauthorized.

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
Joint Committee on Administrative Rules
Metropolitan Community College
Office of the Secretary of State
State Technical College of Missouri
University of Central Missouri



Mickey Wilson, CPA
Director
April 21, 2016

Ross Strobe
Assistant Director
April 21, 2016