

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6305-03
Bill No.: CCS for HCS for SB 997
Subject: Education, Higher; Higher Education Department; Education, Elementary and Secondary
Type: Original
Date: May 12, 2016

Bill Summary: This proposal changes the laws regarding higher education.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	(Up to \$4,437,144)	(Up to \$4,010,607)	(Up to \$4,006,291)
Total Estimated Net Effect on General Revenue	(Up to \$4,437,144)	(Up to \$4,010,607)	(Up to \$4,006,291)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Dual Credit Certification*	\$0	\$0	\$0
Dual Credit Scholarship*	\$0	\$0	\$0
College & University	(Unknown)	(Unknown greater than \$2,600,000)	(Unknown)
Total Estimated Net Effect on Other State Funds	(Unknown)	(Unknown greater than \$2,600,000)	(Unknown)

* Transfers in and revenue minus expenses net to zero.

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 19 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
General Revenue	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

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

§1 Out of State Travel Reimbursement

Officials at the **Missouri Ethics Commission** assume this would require the Commission to do the following:

Provide information to public officials and the public as specified in the Commission duties in Section 105.491, 105.955.14 (4), RSMo, about the new statutory requirements; examples include providing education, developing informational materials, and fielding telephone and email questions.

Create a filing system to report the detailed out-of-state travel incurred out of state travel costs. The development of the system would take approximately 240 programming hours.

Respond to written complaints, as established in Section 105.955.14, RSMo, through conducting investigations and any legal actions arising from those investigations. Any significant increase in complaints would require additional Commission resources, including investigative staff.

Oversight notes this requires spouses of full-time public higher education institutions to report to the Missouri Ethics Commission any out-of-state travel expenses reimbursed by the institution. Oversight is unable to determine if any institutions currently reimburses for spousal expenses. Oversight notes this proposal would require the Missouri Ethics Commission to create a form for the reporting of the expenses and to maintain a searchable database of the expenses. Oversight assumes the Missouri Ethics Commission has computer programmers on staff that can handle the creation and maintenance of the database with existing resources.

§103.003 and §103.079 Higher Education Institutions Can Join MCHCP

Oversight notes this proposal would allow a public higher education institution to join the Missouri Consolidated Health Care Plan (MCHCP) for their employee health care. Oversight notes that currently none of the public higher education institutions have joined MCHCP as a public entity member.

Oversight is unable to determine if any institution would chose to participate in MCHCP. Oversight pulled information on Missouri Consolidated Health Care Plan state employee premiums, University of Missouri employee premiums, and University of Central Missouri employee premiums.

ASSUMPTION (continued)

Missouri Consolidated Health Care Plan, UM & UCM

Employee with PPO Plan	State Employee Pays	State Payment	UM Employee Pays	UM Payment	UCM Employee Pays	UCM Payment
Single employee	\$41	\$521	\$123	\$517	\$13	\$615
Employee with children	\$89	\$892	\$244	\$844	\$358	\$676

Oversight notes this proposal would not become effective until August 28, 2016. Oversight assumes that due to the short time before open enrollment starting October 1, 2016, that the public higher education institutions would not be able to join MCHCP until October 2017 (FY 2018) and that the plan year would begin January 1, 2018.

Officials at the **Missouri Consolidated Health Care Plan** assume there is no fiscal impact from this proposal.

In response to similar legislation filed this year, SB 1108, officials from the **Department of Higher Education (DHE)**, **Missouri Western State University** and the **St. Louis Community College** each assumed the proposal would not fiscally impact their respective agencies.

Oversight notes the language of the proposal is permissive and assumes that should an institution chose to join Missouri Consolidated Health Care Plan, it would do so to reduce the institution's premium cost, reduce employee's out-of-pocket premiums, or provide additional health benefits. Oversight is unable to determine how many institutions may join and, therefore, assumes the proposal would have no fiscal impact to the state or local governments (colleges and universities).

§105.1445 Public Employee Loan Forgiveness Notice

Oversight notes this proposal requires the DHE to create guidance regarding notice of public employee eligibility for public service loan forgiveness. Oversight notes this proposal requires all public employers to provide the said notice to all employees. Oversight assumes the creation and dissemination of the notice can be done using the public employers existing resources.

In response to the previous version, officials from the **DHE** assumed this section can be done with existing resources and should not create a fiscal impact on the department.

ASSUMPTION (continued)

§167.223 State Technical College of Missouri

In response to similar legislation filed this year, HB 1610, officials at the **DHE** assumed there was no fiscal impact from this proposal.

In response to similar legislation filed this year, HB 1610, officials at the **State Technical College of Missouri** assumed this may have a positive impact on the College.

Oversight notes this proposal would allow the State Technical College of Missouri to work with public high schools to offer dual credit courses. Oversight assumes this would not have a fiscal impact on the College unless it chose to offer such classes. If it chooses to offer the classes then the tuition from the class would cover the cost of the class and therefore, this would not have a net fiscal impact on the College.

§173.005 Higher Education Recognition

Oversight notes this proposal would require the DHE to list on its website those public higher education institutions that meet the requirements of §173.616.1(2),(3) and (4).

In response to the previous version, officials from the **DHE** assumed this section of the proposal requires the Coordinating Board for Higher Education to maintain on its website a list of institutions that meet certain criteria. This can be done with existing resources and should not create a fiscal impact on the coordinating board.

§173.035 Posting of Transfer Information on DHE website

Oversight notes this proposal would require the DHE to establish and operate a website containing course transfer information which shall be made available to members of the public. The database is to contain information on what academic courses can be transferred to other higher education institutions.

Oversight notes that DHE is to promulgate rules for this section, and Oversight assumes they can promulgate the rules using existing resources.

In response to the previous version, officials at the **DHE** assumed the need for one Research Associate I to maintain the website, answer questions from institutions and students, input data, and other tasks associated with the operation of the new website. Additionally, there would be ongoing costs for website maintenance.

ASSUMPTION (continued)

In response to the previous version, officials at the **Office of Administration’s Information Technology Services Division (ITSD)** assumed DHE would require one new multiple screen application for transfer maintenance, one new process for institution details, one new database to hold this new data and a rewrite of the current student portal application to add in the transfer piece. Due to these efforts, they estimate a significant amount of time is needed to analyze, develop and implement these pieces. ITSD estimated 5,238 hours of work at \$75 an hour for a total cost in FY 2017 of \$392,580 and on-going costs of \$80,534 in FY 2018 and \$82,547 in FY 2019.

§173.234 Wartime Veteran’s Survivor Grant

Oversight notes this proposal extends the sunset on the Wartime Veterans Survivor Grant Program. The program provides up to 25 grants annually to the spouse or children of Missouri veterans who died or became disabled from combat. The grant includes tuition (capped at the rate charged by the University of Missouri) plus up to \$2,000 for room and board and \$500 for books per semester. Based on 12 semester hours, the maximum annual award is \$11,576 per grant.

Table 1 - Historical Data on Program

	FY 2012	FY 2013	FY 2014	FY 2015 Projected	FY 2016 Projected
Number of Individuals	10	9	7	15	15
Total Awards	\$40,285	\$216,717	\$191,682	\$241,250	\$241,250

Source: Department of Higher Education

In response to similar legislation filed this year, HB 2657, officials at the **DHE** assumed in FY 2014, DHE paid 7 students for a total cost of \$71,866. In FY 2015, the DHE paid 10 students for a total cost of \$83,202. Assuming three additional students receive the grant each year over the cost of the fiscal note period at an average award of \$9,000, the cost in FY 2017 would be \$144,000, the cost in FY 2018 would be \$171,000, and the cost in FY 2019 would be \$198,000.

Oversight notes this grant program originally sunset on August 28, 2014. This proposal would extend the sunset until August 28, 2020.

Oversight assumes it is difficult to calculate the number of eligible students that may receive this award in the future. Oversight will show the impact as up to the maximum award amount of \$289,400 (25 awards x \$11,576 maximum award) allowed per statute.

ASSUMPTION (continued)

§173.2500 Dual Credit Approval Process and Certification Fund

Oversight notes this proposal would require the public higher education institutions to apply to the DHE to be a dual credit provider. DHE, after approval, would need to maintain a listing of the approved dual credit providers on their website.

In response to previous version, officials at the **DHE** assumed to ensure the timely processing of applications an additional Research Associate I FTE would be required. Since this proposal allows for the collection of a fee to cover expenses, this FTE would be funded by the fee.

Oversight notes this section of this proposal requires DHE to establish administrative rules for the submission of the approval application. Oversight assumes the creation of the rules may be done with existing staff.

Oversight notes this proposal allows DHE to create a fee schedule that is to be used to cover the administrative costs of the approval process. Oversight notes this proposal creates a Dual Credit Certification Fund. Oversight will show the loss to the Colleges and University Fund for the fees and the expenditure of the funds by DHE for costs to administer this provision.

§173.2505 Dual Credit Scholarship Act

Oversight assumes this provision creates a financial assistance program called the Dual Credit Scholarship. The scholarship is to reimburse eligible students for up to 50% of the tuition costs paid by the student to enroll in a dual credit course. No student is eligible to receive more than \$500 annually.

Oversight notes this provision creates the Dual Credit Scholarship Fund which may consist of money appropriated to it as well as private donations. The Fund is to be used to pay the scholarships.

In response to previous version, officials at the **DHE** assumed in Academic Year 2013/2014, DHE estimated about 196,200 dual credit hours were earned by 22,300 students across the state. These estimates are derived from course completion data collected by DESE, but it should be emphasized that dual credit courses are not directly identified in the data, and some assumptions are employed to identify relevant courses and to exclude others, e.g. career/technical education and Advanced Placement. While the scholarship may result in more students taking dual credit courses and/or in students taking more dual credit courses, the department does not have the data to estimate that change, so it is not reflected in this estimate.

ASSUMPTION (continued)

According to data collected by DESE, 51.7% of students were eligible for Free or Reduced Price Lunch in Academic Year 2014/2015. Assuming the same percentage of students who took dual credit were also eligible for free and reduced lunch, 101,435 credit hours would be covered by the Dual Credit Scholarship.

Based on data collected by the DHE, the average cost per credit hour is \$70. Although the cost varies from institution to institution and also by sector (public community college, public four-year, independent), this average was selected as the best approximation for cost across all types of students and institutions. The dual credit scholarship program would only cover half the cost to students (up to \$500 per year). Therefore, the estimated cost to the Dual Credit Scholarship Fund would be \$3,550,225 ($101,435 \times \$70 = \$7,100,450 \times 50\% = \$3,550,225$) each year.

Oversight notes this provision only allows students the reimbursement if they meet certain economic needs. Those needs are:

- Enrolled for free or reduced lunch. Per the Department of Elementary and Secondary Education's website 65.35 percent of students are on free or reduced lunch.
- Be in foster care, be a ward of the state or be homeless. Oversight was unable to determine how many students are in this situation.
- Receive low-income public assistance, such as SNAP, WIC or public housing. Oversight notes that families register for these programs, so it is difficult to determine an exact number of children that might participate.

Oversight assumes that children in these identified economic situations may not currently be taking dual credit courses as they would not be able to make the tuition payment. Oversight will show the impact as the one estimated by DHE.

In response to the previous version, officials at the **Office of Administration's Information Technology Services Division (ITSD)** assumed that a potential recipient of this program will be expected to create a Student Portal account to fill out an application for every semester. Once completed, the student data will display in the FAMOUS High School (HS) application. Edits to the current HS menu and screens will be needed as well as creation of two new screens in order to display and maintain the student application details and eligibility criteria verification. Student eligibility criteria is assumed to be as follows:

ASSUMPTION (continued)

1. United States citizenship
2. Resident of MO
3. Written program commitment beginning in 7th grade
4. Assigned mentor by the program director
5. Must have performed 50 hours of unpaid tutoring or mentoring/job shadowing
6. Develop a personal plan of study
7. Meet economic criteria

Student eligibility is assumed to be determined and verified at the DESE School district level. It is assumed that there is a need for at least one new HS report. The submitted program application will also display in the approved FAMOUS Postsecondary Institution (PSI) application. It is assumed that there is a need to create at least two new PSI reports. New student detail tabs and screens will be needed to allow the institution to certify and maintain student disbursements and other necessary details. It is assumed that the FAMOUS-DHE application will need to be updated to administrate this financial aid program. There is expected to be at least seven screens that will need to be updated. It is assumed that at least two new reports and three new notices will be created. It is assumed that, consistent with current DHE processes, student details, application data, program eligibility, and financial disbursement details will also display and be monitored through the FAMOUS-DHE application.

ITSD estimates these changes would be \$145,800 in FY 2017, \$29,889 in FY 2018 and \$30,636 in FY 2019.

In response to the previous version, officials at the **University of Central Missouri** assume there would be positive fiscal impact if more students participated in UCM's dual credit program due to the financial assistance for high school students mentioned in the proposed legislation. However, it is not possible to quantify the participation or resulting fiscal impact to UCM at this point.

§173.2510 15 to Finish Act

In response to the previous version, officials at the **DHE** assumed this would require the department in consultation with the institutions to develop policies to promote students' on-time completion of degree programs. DHE assumes this proposal can be done with existing department staff.

Oversight notes this provision requires the DHE and public higher education institutions to promote the on-time completion of degree programs. The institutions are to create policies to encourage the on-time completion of degree programs. The DHE is to file a report that describes the actions taken by the institutions to encourage students. Oversight will show an Unknown impact to the institutions.

ASSUMPTION (continued)

§173.2515 Guided Pathways to Success Act

Oversight notes this provision requires the DHE to create a pilot program called Guided Pathways to Success. The program is to help organize courses that help students to complete their degree programs on-time. The DHE is to report to the General Assembly on the outcomes of this pilot program by January 1, 2020.

In response to the previous version, officials at the **DHE** assumed this pilot program can be done with existing staff and resources.

§173.2520 Concurrent Enrollment Pilot Program

Oversight notes this provision requires DHE to create a pilot program called Concurrent Postsecondary Enrollment. The program is to allow students to enroll in a four year and two year institution at the same time. The DHE is to report to the General Assembly on the outcomes of this pilot program by January 1, 2020.

In response to the previous version, officials at the **DHE** assumed this pilot program can be done with existing staff and resources.

Chapter 173 as a Whole

In response to the previous version, officials at the **University of Central Missouri** assumed for website implementation it may cost \$12,00 annually plus benefits for a person to update the information. For advisors to help students graduating it could cost \$120,000 plus benefits.

In response to the previous version, officials at the **State Technical College of Missouri** assumed a negative unknown impact due to the potential fees and increased workload for our financial aid staff.

In response to the previous version, officials from the **Missouri State University** and the **University of Missouri** each assumed the proposal will have no fiscal impact on their organization.

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

In response to the previous version, officials at the **Department of Social Services** and **Office of the State Courts Administrator** each assumed there is no fiscal impact from this proposal.

In response to a previous version, officials from the **Office of the Secretary of State (SOS)** stated 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

ASSUMPTION (continued)

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.

§178.780 - §178.789 Core Curriculum

Oversight notes this proposal requires the establishment of a standard core curriculum and common course numbering system for lower-division courses (forty-two semester credit hours) at community colleges and the public institutions of higher education to facilitate student transfers. The coordinating board of higher education shall assist with the creation and approval of the numbering system.

Oversight notes this proposal requires the community colleges and the public higher education institutions to work together as an advisory board to create the numbering system. Oversight assumes this proposal would require meetings of the advisory board.

In response to similar legislation filed this year, HB 2651, officials at the **DHE** assumed this would require the formation of an advisory group (similar to one the department has had for more than 10 years) as well as "faculty discipline groups" to develop the curriculum. This will be a labor intensive project, requiring 15 or more faculty workgroups each with approximately 25 members meeting over a minimum of two years.

DHE estimates the need for about 15 meetings over a two-year period with the faculty discipline groups created in §178.786.1. The reimbursement rate set by the Office of Administration (OA) is \$0.37 per mile, with the cost to travel to Jefferson City broken out per institution in the chart below:

ASSUMPTION (continued)

Institution	Distance (mi)	Per Mile Rate	Total Cost
Crowder College	214	\$0.37	\$79.18
East Central College	79	\$0.37	\$29.23
Jefferson College	115	\$0.37	\$42.55
Metropolitan Community College	155	\$0.37	\$57.35
Mineral Area College	136	\$0.37	\$50.32
Moberly Area Community College	67	\$0.37	\$24.79
North Central Missouri College	171	\$0.37	\$63.27
Ozarks Technical Community College	135	\$0.37	\$49.95
St. Charles Community College	107	\$0.37	\$39.59
St. Louis Community College	133	\$0.37	\$49.21
State Fair Community College	64	\$0.37	\$23.68
Three Rivers Community College	202	\$0.37	\$74.74
State Technical College of Missouri	24	\$0.37	\$8.88
Harris-Stowe State University	131	\$0.37	\$48.47
Lincoln University	2	\$0.37	\$0.74
Missouri Southern State University	203	\$0.37	\$75.11
Missouri State University	136	\$0.37	\$50.32
Missouri University of Science & Technology	63	\$0.37	\$23.31
Missouri Western State University	210	\$0.37	\$77.70
Northwest Missouri State University	252	\$0.37	\$93.24
Southeast Missouri State University	233	\$0.37	\$86.21
Truman State University	121	\$0.37	\$44.77
University of Central Missouri	91	\$0.37	\$33.67
University of Missouri – Columbia	30	\$0.37	\$11.10
University of Missouri – Kansas City	157	\$0.37	\$58.09
University of Missouri – St. Louis	124	\$0.37	\$45.88
Total Cost			\$1,241.35

The meal reimbursement rate set by OA for Jefferson City is \$10 for lunch. If all 26 institutions are represented, the cost for lunch would be \$260 per meeting. The total cost for all 15 meetings would be \$22,520.25 [(\$1,241.35 * 15) + (\$260 * 15)].

Additionally, DHE would need one FTE at the Research Associate I level to oversee the new program and ensure compliance with the statute at all 26 public postsecondary institutions.

In response to similar legislation filed this year, HB 2651, officials at the **University of Missouri (UM)** assumed the renumbering on each of the UM campuses took close to a year to develop the plan and another to implement, develop cross walks, feed all the systems, etc. It involved faculty, staff, administrators and technology staff. There would need to be a campus course

ASSUMPTION (continued)

number coordinator. That could take 10% of a person's time. UM assumes a cost of \$2.6 million for the entire UM system.

In response to similar legislation filed this year, HB 2651, officials at the **University of Central Missouri** predicts the main fiscal impact would come from personnel time to manage the re-numbering of the institutional course records system, technology personnel time to facilitate that modification to our current system, and ongoing cost to maintain accurate records and write reports related to the process as well as challenges to the process.

Registrar's Office personnel time: approximately \$30,000 (one-time)
Office of Technology personnel time: approximately \$25,000 (one-time)
Office Professional position to manage the records and challenges: approximately \$35,000 in salary and benefits (annually)

In response to similar legislation filed this year, HB 2651, officials at the **Mineral Area Community College** assumed identifiable costs are hard to determine without knowing the course of action from Department of Higher Education. Extensive travel should be required by each of the community colleges to formalize the standard core curriculum and a common course numbering matrix. The College anticipates 7 faculty involved in the process. Costs for travel, lodging, and stipends is estimated at \$34,328.

In response to similar legislation filed this year, HB 2651, officials at the **Northwest Missouri State University** assumed the development of a statewide common course numbering system will be a costly endeavor for higher education institutions to adopt as it will require significant computer programming and staff time to retrofit our information system to accommodate the new model. The exact impact is unknown at this time.

In response to similar legislation filed this year, HB 2651, officials at the **State Technical College of Missouri** assumed this would have a negative impact, but are unable to quantify.

In response to similar legislation filed this year, HB 2651, officials at the **State Fair Community College, Missouri State University** and the **Missouri Western State University** each assumed there is no fiscal impact from this proposal.

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

Oversight notes the DHE currently has a Core Transfer Library (CTL) consisting of 26 courses that transfer as equivalents among all public two- and four-year institutions. Most-but not all-of the courses in the CTL would fulfill general education requirements. The department also is

ASSUMPTION (continued)

currently working on a course equivalency matrix, which this proposal effectively duplicates. The CTL is authorized in statute, §173.005.2(8).

Oversight notes that DHE stated the Advisory Board would need to meet 15 times to prepare the course numbering system. Oversight will show them meeting 10 times in FY 2017 and 5 times in FY 2018 to finalize the numbering system. Oversight assumes the Advisory Board would begin by reviewing the current 26 courses to determine if they could be used for this proposal's 42 credit hours. If they can, then fewer meetings would be needed.

Oversight will show the meeting costs as the estimate provided by DHE. Oversight notes that DHE would be required to pay the meeting costs and therefore will show the impact to General Revenue.

Oversight notes that current DHE staff are required to monitor the existing 26 courses; therefore staff would be able to monitor any additional courses added because of this proposal. Should the number of new courses justify additional FTE, then DHE could request those FTE through the appropriation process.

Oversight will show the one-time computer upgrades to the Colleges and Universities occurring in FY 2018, once plans are finalized.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
GENERAL REVENUE			
<u>Cost - DHE- extension of the wartime veterans grant program §173.234</u>	(Up to \$289,400)	(Up to \$289,400)	(Up to \$289,400)
<u>Transfer Out - to the Dual Credit Scholarship Fund §173.2505</u>	(\$3,550,225)	(\$3,550,225)	(\$3,550,225)
<u>Cost - ITSD - website and computer costs §173.2505</u>	(\$145,800)	(\$29,889)	(\$30,636)
<u>Cost - DHE §173.035</u>			
Personal Service	(\$27,840)	(\$33,742)	(\$34,080)
Fringe Benefits	(\$16,016)	(\$19,310)	(\$19,403)
Computer Expenses - ITSD	(\$392,850)	(\$80,534)	(\$82,547)
<u>Total Cost - DHE</u>	<u>(\$436,706)</u>	<u>(\$133,586)</u>	<u>(\$136,030)</u>
FTE Change DHE	1 FTE	1 FTE	1 FTE
<u>Cost - DHE -travel expenses of advisory board §178.780</u>	<u>(Up to \$15,013)</u>	<u>(Up to \$7,507)</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	(Up to <u>\$4,437,144</u>)	(Up to <u>\$4,010,607</u>)	(Up to <u>\$4,006,291</u>)
Estimated Net FTE Change on General Revenue	1 FTE	1 FTE	1 FTE
DUAL CREDIT CERTIFICATION FUND			
<u>Revenue - DHE - dual credit provider application fee §173.2500</u>	Unknown	Unknown	Unknown
<u>Costs - DHE for FTE and administrative costs for the dual credit provider applications §173.2500</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON DUAL CREDIT CERTIFICATION FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2017 (10 Mo.)	FY 2018	FY 2019
DUAL CREDIT SCHOLARSHIP FUND			
<u>Transfer In</u> - from General Revenue §173.2505	\$3,550,225	\$3,550,225	\$3,550,225
<u>Revenue</u> - private donations §173.2505	Unknown	Unknown	Unknown
<u>Cost</u> - payment of the Dual Credit Scholarship to students §173.2505	<u>(\$3,550,225)</u>	<u>(\$3,550,225)</u>	<u>(\$3,550,225)</u>
ESTIMATED NET EFFECT ON DUAL CREDIT SCHOLARSHIP FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
COLLEGE AND UNIVERSITY FUNDS			
<u>Cost</u> - Institutions - payment of dual credit provider application fees §173.2500	(Unknown)	(Unknown)	(Unknown)
<u>Cost</u> - Institutions - 15 to Finish Act §173.2510	(Unknown)	(Unknown)	(Unknown)
<u>Cost</u> - Colleges & Universities - computer upgrades to new numbering system	<u>\$0</u>	(Could exceed <u>\$2,600,000</u>)	<u>\$0</u>
ESTIMATED NET EFFECT ON COLLEGE & UNIVERSITY FUNDS	<u>(Unknown)</u>	<u>(Unknown greater than \$2,600,000)</u>	<u>(Unknown)</u>
FISCAL IMPACT - Local Government			
	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 act establishes several new provisions relating to higher education.

This bill requires the Department of Higher Education to establish and operate a public website, with a searchable database, that contains course transfer information. (§173.035)

This bill re-authorizes the War Veteran's Survivor Benefits Program and provides a new expiration date of August 28, 2020. (§173.234)

The act establishes a process through which the Coordinating Board for Higher Education shall certify an institution of higher education as an approved dual credit provider. To become an approved dual credit provider, an institution of higher education shall annually submit a written application to the Coordinating Board, as described in the act.

A dual credit course may not be advertised or represented as being delivered by an approved dual credit provider unless an application is approved by the Coordinating Board. (§173.2500)

This act establishes the "Dual Credit Scholarship Act", which shall provide funds, subject to appropriation, for eligible students enrolled in dual credit courses. The scholarship shall reimburse students for up to 50% of the tuition cost paid by the student, with a total amount not to exceed \$500 annually. To be eligible, a student shall: be a United States citizen or permanent resident, be a Missouri resident, be enrolled in an approved dual credit program, have a cumulative GPA of at least 2.5 on a 4 point scale, and meet one or more requirements based on economic need, as described in the act.

The act creates the "Dual Credit Scholarship Fund", which shall consist of moneys appropriated by the General Assembly and private donations made to the fund. (§173.2505)

This act establishes the "15 to Finish Act". The Coordinating Board, in cooperation with public institutions of higher education, shall develop policies that promote the on-time completion of degree programs by students. The policies shall include defining on-time completion, providing financial incentives for students on pace to graduate in no more than eight semesters, implementing banded tuition, and reducing the number of credit hours required to earn a degree. (§173.2510)

This act establishes the "Guided Pathways to Success Act". The Coordinating Board, in cooperation with public institutions of higher education, shall create a pilot program that shall include at least two of the following: majors organized into semester-by-semester sets of courses

FISCAL DESCRIPTION (continued)

that lead to on-time completion; degree-based transfer pathways between participating institutions; available meta-majors, as defined in the act; student commitment to a structured schedule of courses; and clear degree maps, proactive advising, as defined in the act, and guarantees that required courses are available when needed by students. (§173.2515)

The Coordinating Board shall establish a concurrent enrollment pilot program, in which students are enrolled in courses at both a four-year and two-year participating institution at the same time and for which the coursework is officially recorded by both institutions. The purpose of the pilot program is to provide a broader range of academic and student support services while streamlining the path to degree completion. (§173.2520)

This bill establishes a standard core curriculum and a common course numbering system for lower division courses at community colleges and public four-year institutions of higher learning. The coordinating board of higher education will work in conjunction with an advisory committee, composed of representatives from community colleges and public four year institutions, to develop a recommended core curriculum.

The core curriculum must be comprised of at least 42 semester credit hours and will cover mathematics, English, communications, humanities, biological and physical science, social science, and computer technology. All undergraduate students of the above institutions must complete the core curriculum as a requirement of graduation.

Each community college and public four-year institution must adopt a core curriculum of no less than 42 credit hours. Such curriculum must include specific courses and be based on the core curriculum recommended by the Coordinating Board of Higher Education. The Coordinating Board must also approve a common course numbering system for lower-division courses at all institutions of higher learning in the state. Community colleges and four-year institutions must include in its course listings the corresponding numbers from the common course numbering system.

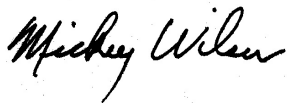
Students will be able to transfer credits earned under the core curriculum, as described within the bill. The coordinating board must also develop criteria to evaluate the transfer practices each public institution of higher learning in the state and subsequently evaluate each institution. Institutions of higher education must publish in its course catalogs and on its website the evaluation policies of the Coordinating Board.

This proposal contains an emergency clause for sections 173.234 and 173.005.

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
Department of Social Services
Joint Committee on Administrative Rules
Mineral Area Community College
Missouri Consolidated Health Plan
Missouri Ethics Commission
Missouri State University
Missouri Western State University
Northwest Missouri State University
Office of Administration
 Information Technology Services Division
Office of the State Courts Administrator
Office of the Secretary of State
State Fair Community College
St. Louis Community College
State Technical College of Missouri
University of Central Missouri
University of Missouri



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