

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2027-01  
Bill No.: HB 1113  
Subject: Education, Elementary and Secondary; Employees- Employers; Higher Education  
Type: Original  
Date: April 21, 2017

Bill Summary: This proposal requires ninth grade students in public schools to take a course relating to various educational and career opportunities.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented (FY 2021)
General Revenue	(\$85,676)	\$0	\$0	\$0
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$85,676)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented (FY 2021)
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0</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 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>Fully Implemented (FY 2021)</b>
<b>Total Estimated Net Effect on All Federal Funds</b>	<b>\$0</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 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>Fully Implemented (FY 2021)</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>				
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>Fully Implemented (FY 2021)</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(Could exceed \$100,000)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Department of Elementary and Secondary Education** assume a cost of \$85,676 (\$75,574 in travel expenses and \$10,102 in public hearing expenses).

Officials at the **Missouri House of Representatives, Missouri Senate, Office of the Governor, Office of the Lt. Governor** assume there is no fiscal impact from this proposal.

Officials at the **Kirksville R-III School District** assume this would have a negative impact on the district.

Officials at the **Pattonville School District** assume it would require 3.2 FTE to teach the course to all 9<sup>th</sup> graders and would cost \$240,000 per year.

Officials at the **Milan C-2 School District** assume the impact could be \$15,500 to \$31,000 to add staff to teach the course.

Officials at the **Seymour R-II School District** assume to draft curriculum and obtain resources would have one time costs of \$1,000. To hire a .10 FTE Teacher would be \$2,850 annually.

Officials at the **Cole County R-I School District** assume this would cost 7% of a given teachers salary to teach this course.

Officials at the **Bakersfield R-IV School District** assume this would cost \$15,000 annually.

Officials at the **West Plains School District** assume additional costs related to course materials and staffing. It is estimated to be \$120,000 annually.

**Oversight** notes this proposal would require all ninth grade students to take a half-unit credit course on topics outlined in the proposal. This requirement would begin with the school year 2020-2021 (FY 2021). Oversight notes there are currently 885,204 public school students. On average there are 68,093 kids in each grade.

**Oversight** notes that the workgroup established by DESE may do work in FY 2018 and some work in FY 2019. For the simplicity of the fiscal note, Oversight is showing all the expenses in FY 2018.

ASSUMPTION (continued)

**Oversight** notes this proposal requires DESE to use workgroups to establish the curriculum. School districts could use the curriculum and not incur expenses from establishing their own. However, school districts would need teachers and supplies necessary to present the required information. Oversight will show the impact as Could exceed \$100,000 for all school districts.

Officials at the following school districts: Arcadia Valley R-2, Avilla R-13, Belton, Benton County R-2, Bismark R-5, Bloomfield R-14, Blue Springs, Bolivar R-I, Bowling Green R-1, Branson, Brentwood, Bronaugh R-7, Campbell R-2, Carrollton R-7, Caruthersville, Central R-III, Chilhowee R-4, Chillicothe R-II, Clarkton C-4, Columbia, Concordia R-2, Crawford County R-1, Crocker R-II, Delta C-7, East Carter R-2, Eldon R-I, Everton R-III, Fair Play, Fayette R-3, Forsyth R-3, Fox C-6, Fredericktown R-I, Fulton, Grain Valley, Hancock Place, Hannibal, Harrisonburg R-8, Harrisonville, Hillsboro R-3, Hollister R-5, Humansville R-4, Hurley R-1, Independence, Jefferson City, Kansas City, Kearney R-1, Kennett #39, King City R-1, Kingston 42, Kirbyville R-VI, Lee Summit, Leeton R-10, Lewis County C-1, Lincoln R-II, Lindbergh, Lonedell R-14, Macon County R-1, Malta Bend, Mehville, Meramec Valley R-3, Mexico, Middle Grove C-1, Midway R-1, Moberly, Monroe City R-I, Morgan County R-2, New Haven, Nixa, North Kansas City, North St. Francois Co. R-1, Northeast Nodaway R-5, Odessa R-VII, Oregon-Howell R-III, Orrick R-11, Osborn R-0, Parkway, Pettis County R-12, Pierce City, Plato R-5, Princeton R-5, Raymore-Peculiar R-III, Raytown, Reeds Springs R-IV, Renick R-5, Republic R-III, Richards R-V, Richland R-1, Richmond R-XVI, Riverview Gardens, Salisbury R-4, Sarcoxie R-2, Scotland County R-I, Sedalia, Shell Knob #78, Sikeston, Silex, Smithville R-2, Special School District of St. Louis County, Spickard R-II, Springfield, St Joseph, St Louis, St. Charles, St. Elizabeth R-4, Sullivan, Valley R-6, Verona R-7, Warren County R-3, Warrensburg R-6, Waynesville, Webster Groves, Wentzville, Westview C-6 and the Wright City R-2 school districts did not respond to **Oversight's** request for fiscal impact.

FISCAL IMPACT - State Government

	FY 2018 (10 Mo.)	FY 2019	FY 2020	Fully Implemented (FY 2021)
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**GENERAL REVENUE FUND**

<u>Cost - DESE meeting expenses</u>	<u>(\$85,676)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>(\$85,676)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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FISCAL IMPACT - Local Government

	FY 2018 (10 Mo.)	FY 2019	FY 2020	Fully Implemented (FY 2021)
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**LOCAL SCHOOL DISTRICTS**

<u>Cost - School Districts costs to add the course for all ninth graders</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	(Could exceed <u>\$100,000</u> )
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<b>ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICTS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b>(Could exceed <u>\$100,000</u>)</b>
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FISCAL IMPACT - Small Business

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

### FISCAL DESCRIPTION

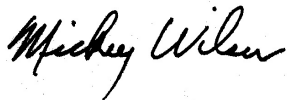
Beginning in school year 2020-21, every public school, including every charter school, giving instruction in ninth grade must offer a half-unit credit course that meets for 3950 minutes. The course must cover topics related to exploring various career and educational opportunities, as specified in the bill. In addition to the topics covered the course shall focus on career readiness and emphasize the importance of work ethic, communication, collaboration, critical thinking, and creativity. The course shall demonstrate that graduation from a four-year college is not the only path to success and discuss other pathways.

Before January 1, 2018, the State Board of Education will convene a work group regarding the course.

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

Bakersfield R-IV School District  
Cole County R-I School District  
Department of Elementary and Secondary Education  
Kirksville R-III School District  
Milan C-2 School District  
Missouri House of Representatives  
Missouri Senate  
Office of the Governor  
Office of the Lt. Governor  
Pattonville School District  
Seymour R-II School District  
West Plains School District



Mickey Wilson, CPA  
Director  
April 21, 2017

Ross Strobe  
Assistant Director  
April 21, 2017