

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0587-02
Bill No.: HCS for SB 13
Subject: Education, Elementary and Secondary; Elementary and Secondary Education Department; Boards, Commissions, Committees, Councils; Governor and Lt. Governor; General Assembly
Type: Original
Date: April 27, 2015

Bill Summary: This proposal establishes a career and technical education certificate and modifies provisions related to the Career and Technical Education Advisory Council.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
Total Estimated Net Effect on General Revenue	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 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

§170.029 CTE Certificate

Officials at the **Department of Elementary and Secondary Education (DESE)** assume this would result in additional costs due to data collection; however, they do not anticipate a cost greater than \$100,000. DESE defers to local school districts regarding the extent of any costs.

In response to similar legislation filed this year, SB 172, officials at the **Kansas City Public Schools** assumed they cannot determine the fiscal impact until such time as DESE outlines how they will promulgate rules to implement the proposed legislation.

In response to similar legislation filed this year, SB 172, officials at the **Everton R-III School District** and the **Riverview Gardens School District** each assumed there was no fiscal impact to their respective school district from this proposal.

In response to similar legislation filed this year, SB 172, officials at the **Joint Committee on Administrative Rules** assumed there was no fiscal impact from this proposal.

Oversight notes this proposal requires DESE to establish minimum requirements for a career and technical education high school certificate. Oversight assumes that DESE will be able to establish the career and technical education certificate with existing staff and resources.

Oversight requested a list of the school districts that currently have approved career education programs. There are currently 446 that have an approved career education program out of the 448 school districts that have a high school. Oversight notes that the school districts that replied to Oversight's request for impact all currently have an approved career education program.

Oversight requested a list of the current vocational areas of study approved by DESE. Those areas are:

- Agriculture, Food and Natural Resources
- Business, Management and Administration
- Family Consumer Science and Human Services
 - Education and Training
 - Hospitality and Tourism
- Finance
- Health Science
- Information Technology
- Marketing

ASSUMPTION (continued)

- Science, Technology, Engineering and Mathematics (STEM)
Project Lead the Way
- Skilled Technical Sciences
Architecture and Construction
Arts, AV Technology and Communications
Law, Public Safety, Corrections and Security
Manufacturing
Transportation, Distribution and Logistics

Oversight for purposes of the fiscal note, will assume that the vocational areas of study will be based on the existing areas and therefore establishing curriculum, programs of study and course offerings would not have a fiscal impact.

In response to similar legislation filed this year, SB 172, 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.

Officials at the **Carondelet Leadership Academy, Malta Bend School District and Special School District of St. Louis** each assume there is no fiscal impact to their respective organization from this proposal.

§178.550 Career and Technical Education Advisory Council

Officials at the **Department of Elementary and Secondary Education (DESE)** assume this proposal would result in an insignificant increase in travel expenses.

ASSUMPTION (continued)

Officials at the **Office of the Governor** assume there is no fiscal impact from this proposal.

In response to the previous version of this proposal, officials at the **Missouri Senate** assumed there was no fiscal impact from this proposal.

In response to the previous version of this proposal, officials at the **Missouri House of Representatives (House)** assumed this proposal would have no fiscal impact. Expenses of House members on the Career and Technical Education Advisory Council will be picked up by DESE or absorbed within existing House resources.

Oversight assumes the travel expenses can be absorbed within current appropriation by DESE, the House and Senate.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
GENERAL REVENUE			
<u>Cost - Department of Elementary and Secondary Education - data collection</u>	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
<u>ESTIMATED NET EFFECT ON GENERAL REVENUE</u>	<u>(Less than \$100,000)</u>	<u>(Less than \$100,000)</u>	<u>(Less than \$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.

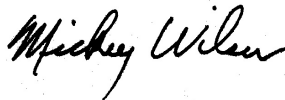
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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

Carondelet Leadership Academy
Department of Elementary and Secondary Education
Everton R-III School District
Joint Committee on Administrative Rules
Kansas City Public Schools
Malta Bend School District
Missouri House of Representatives
Missouri Senate
Office of the Governor
Office of the Secretary of State
Riverview Gardens School District
Special School District of St. Louis



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April 27, 2015

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