

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1549-01
Bill No.: SB 271
Subject: Education, Elementary and Secondary; Elementary and Secondary Education
Department
Type: Original
Date: March 13, 2015

Bill Summary: This proposal requires high school students and students seeking a high school equivalency certificate to receive a passing grade on a basic civics test.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(\$922,290 to \$1,652,290)	(\$594,519 to \$1,324,519)	(\$596,632 to \$1,326,632)
Total Estimated Net Effect on General Revenue	(\$922,290 to \$1,652,290)	(\$594,519 to \$1,324,519)	(\$596,632 to \$1,326,632)

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 8 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

Officials at the **Department of Elementary and Secondary Education (DESE)** assume costs for implementing the civics test in local school districts and charter schools could have a wide range of impact, depending upon which method of testing is chosen by each school district and charter school.

This proposal requires that the test be similar to the civics portion of the United States Naturalization Test, produced by the United States Citizenship and Immigration Services (USCIS). The assessment the USCIS administers is an oral assessment. Although there are 100 questions, an applicant for naturalization must answer 6 of 10 questions correctly--not 60 of 100 as required by this proposal.

Should the local school districts and charter schools decide to implement the USCIS test, it could be done with little to no cost. The test could be given orally or paper and pencil. School districts and charter schools could incur costs for grading, proctoring, etc.

DESE assumes if it is determined that the state must implement the assessment, the state would have to gain permission to convert the test to an electronic format. The scoring costs will be significant because over half of the test will consist of short open response items. DESE estimates a cost of \$10 per student. Assuming a cohort of 70,000 - testing costs would be approximately \$700,000 per year with an additional \$30,000 per year for administration.

DESE assumes this proposal requires students seeking a high school equivalency certificate to also complete this exam. To include a civics test as part of the High School Equivalency (HSE) would require a computer based testing (CBT) version of the test to be available and offered at the same sites that are currently providing the main HSE test. Three options could be considered:

- 1) Provide the civics test via high schools = Costs would be consistent with those taking the USCIS test. However, this option would prove problematic because some HSE test-takers would not be allowed to enter the buildings due to the Safe Schools Act.
- 2) Provide the civics test via testing centers currently offering our vendor's test (HiSET)= Costs would be consistent with the state administering the assessment. (20,000 students x \$10 fee = \$200,000)
- 3) Include the civics test as part of our vendor's test (HiSET) = This option would include automated scoring and Missouri-specific reporting and data extract files. Cost estimates based solely on past experience would be approximately \$2 million.

ASSUMPTION (continued)

DESE assumes in addition to the test development cost, testing centers would charge a fee to proctor the test. Current charges are \$7.50 to provide each subtest. This would either be charged to the test-taker or paid with state funds. Approx. 20,000 test-takers x \$7.50 = \$150,000

Civics must be added to Adult Education and Literacy curricula, which currently focuses on federally funded, English Reading, English Language and Math. Developing curricula and training teachers would be minimal. Additional state funding would be required to provide classes to educate students in civics. Approximately 40 hours of class time to teach material x 200 class sites x \$20 per hour = \$160,000.

All solutions would require a rewrite of the current, internal DESE HSE system used to collect, store, and report High School Equivalency records. This will result in OA/ITSD costs. The costs are estimated to be \$412,290 in FY 2016 and \$84,519 in FY 2017 and \$86,632 in FY 20018.

Oversight notes this proposal requires the civics test given by the school districts to use the same one hundred questions used by the USCIS. Oversight tried to contact the USCIS about the availability of school districts using their test. Oversight has not received a response about the availability of the test. Oversight assumes that if school could receive a copy of the test there would not be an impact to schools. However, if school districts can not get a copy of the test they would need to use one provided by DESE. Oversight will show in the fiscal note \$0 (USCIS test can be used) or the cost estimate for a statewide assessment provided by DESE.

Oversight will show the impact to DESE of providing the test for the High School Equivalency (HSE). Oversight will include the cost of the teaching of the test (\$160,000) as well as the state administering the test (20,000 students times the \$10 state assessment test = \$200,000). Additionally, Oversight will show the \$150,000 proctor fee for the HSE testers.

Oversight will not show a fiscal impact to the school districts.

Officials at the **Special School District of St. Louis** assume this would have a negative fiscal impact on the District. This negative impact would result from remedial time and tutoring necessary for students to pass the test. In addition, this would increase time in IEP meetings to address the civics test.

Officials at the **Riverview Gardens School District** assume a cost of \$360 annually.

Officials at the **Carondelet Leadership Academy, Department of Higher Education, Kansas City Public Schools, Malta Bend Schools, Missouri State University, State Fair Community**

ASSUMPTION (continued)

College, State Technical College of Missouri, University of Central Missouri and the University of Missouri each assume there is no fiscal impact to their respective organizations from this proposal.

Officials at the following schools: Blue Springs Public Schools, Branson Public Schools, Caruthersville School District, Cole R-I Schools, Columbia Public Schools, Everton R-III School District, Fair Grove Schools, Fulton Public School, Harrisonville School District, Independence Public Schools, Jefferson City Public Schools, Kirksville Public Schools, Kirbyville R-VI Schools, Lee Summit Public Schools, Macon School, Mexico Public Schools, Monroe City R-I Schools, Nixa Public Schools, Parkway Public Schools, Pattonville Schools, Raymore-Peculiar R-III Schools, Raytown School District, Riverview Gardens School District, Sedalia School District, Sikeston Public Schools, Silex Public Schools, Special School District of St. Louis County, Spickard School District, Springfield School District, St Joseph School District, St Louis Public Schools, St. Charles Public Schools, Sullivan Public Schools, Warren County R-III School District and Waynesville Public School did not respond to **Oversight's** request for fiscal impact.

Officials at the KIPP Endeavor Academy of Kansas City did not respond to **Oversight's** request for fiscal impact.

Officials at the following colleges: Crowder, East Central Community College, Harris-Stowe, Jefferson College, Lincoln University, Metropolitan Community College, Moberly Area Community College, Missouri Southern State University, Missouri Western State University, Northwest Missouri State University, Southeast Missouri State University, State Technical College of Missouri, St. Charles Community College, St. Louis Community College, Three Rivers Community College, Truman State University, University of Central Missouri and the University of Missouri did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
GENERAL REVENUE			
<u>Costs</u> - DESE - computer programming and data collection	(\$412,290)	(\$84,519)	(\$86,632)
<u>Costs</u> - DESE - state administered test	\$0 or (\$730,000)	\$0 or (\$730,000)	\$0 or (\$730,000)
<u>Costs</u> - DESE - HSE Civics			
Teaching of materials	(\$160,000)	(\$160,000)	(\$160,000)
HSE civics test	(\$200,000)	(\$200,000)	(\$200,000)
Proctor fee	<u>(\$150,000)</u>	<u>(\$150,000)</u>	<u>(\$150,000)</u>
<u>Total Costs</u> - DESE HSE	<u>(\$510,000)</u>	<u>(\$510,000)</u>	<u>(\$510,000)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	(\$922,290 to <u>\$1,652,290</u>)	(\$594,519 to <u>\$1,324,519</u>)	(\$596,632 to <u>\$1,326,632</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 act creates the "Missouri Civics Education Initiative."

This act repeals the prohibition on students receiving a certificate of graduation without having satisfactorily passed an examination on the provisions and principles of the United States and Missouri constitutions, American history, and American institutions. (§170.011)

Beginning January 1, 2016, every high school student attending a public school, charter school, or private school, except a private trade school, or a student seeking to complete a high school equivalency certificate must take and receive a passing grade on a basic civics test. The civics

FISCAL DESCRIPTION (continued)

test must be similar to the civics portion of the United States naturalization test produced by the United States Citizenship and Immigration Services. (§170.345)

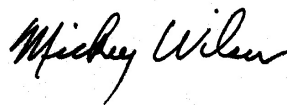
The civics test must use the same one hundred questions used by USCIS that are administered to applicants for United States citizenship. A student must score correctly on sixty of the one hundred questions to receive a passing score. A student may take the test as many times as needed but must receive a passing score to receive a high school diploma, a certificate of high school graduation, or a high school equivalency certificate. (§170.345)

Each public school, charter school, or private school, except for private trade schools, and the Department of Elementary and Secondary Education must certify that a student has taken and received a passing grade on the test. (§170.345)

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
Department of Higher Education
Kansas City Public Schools
Malta Bend Schools
Missouri State University
Riverview Gardens School District
Special School District of St. Louis
State Fair Community College
State Technical College of Missouri
University of Central Missouri
University of Missouri



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