

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4558-02
Bill No.: Perfected SCS for SB Nos. 620 and 582
Subject: Education, Elementary and Secondary
Type: Original
Date: February 9, 2016

Bill Summary: This proposal modifies the composition of the Career and Technical Education Advisory Council and requires said council to establish minimum requirements for a career and technical education certificate.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
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 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 8 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

§170.029 CTE certificate

Officials at the **Department of Elementary and Secondary Education (DESE)** assume this will result in additional costs due to data collection; however, it is not anticipated to be greater than \$100,000. DESE defers to the local school districts for their costs.

Oversight notes this proposal requires DESE to establish minimum requirements for a career and technical education (CTE) high school certificate that can be earned in addition to a high school diploma. DESE and school districts shall work together to determine the minimum number of hours of CTE offerings. Oversight assumes that DESE will be able to establish the career and technical education certificate with existing staff and resources. Oversight assumes that DESE will need less than \$100,000 for computer upgrades and data collection annually.

Oversight notes the current career education areas of study approved by DESE are:

- Agriculture Education
- Business Education
- Marketing and Cooperative Education
- Health Sciences
- Family Consumer Sciences and Human Services
- Occupational Family Consumer Sciences and Human Services
- Skilled Technical Sciences
- Technology and Engineering

Oversight notes that most schools already provide courses in career and technical education. Oversight assumes the school districts would be able to administer the CTE certificate with their existing resources.

In response to the previous version of this proposal, officials at the **Cassville School District** assume the impact is unknown.

Officials at the **East Newton School District** assume an impact if additional courses have to be added.

Officials at the **Forsyth R-III School District** assume this would add an additional staff person at \$50,000.

ASSUMPTION (continued)

In response to the previous version of this proposal, officials at the **Smithville R-II School District** assume the only expense would be associated with the time needed to create the parameters of earning the certificate. This would vary depending on the salary of the person doing the work. Estimated cost \$500- \$1,000.

Officials at the **Warren County R-III** school districts each assume a fiscal impact which is unknown at this time.

In response to the previous version of this proposal, officials at the **Kennett School District** assumed the impact was unknown at this time.

In response to the previous version of this proposal, officials at the **Tipton School District** responded to Oversight's request but did not indicate a fiscal impact.

Officials at the **Everton R-III, Kansas City, Kingston 42, Macon County R-IV, Malta Bend, New Haven, Parkway, Pettis County R-XII, Webster Groves, West Plains** and the **Wright City R-II** school districts each assume there is no fiscal impact from this proposal to their respective districts.

In response to the previous version of this proposal the following school districts **Brentwood, Hawthorn Leadership, Kirbyville, Middle Grove C-1, Sarcoxie R-II, Shelby County R-IV, and Shell Knob** school districts each assumed there was no fiscal impact from this proposal to their district.

§178.550 Career and Technical Advisory Council

Oversight notes this proposal increases the number of council members from 11 to 15. The four additional members will be members of the General Assembly. Oversight assumes DESE can absorb these additional expenses within existing resources.

Officials at the **DESE** assume this would result in an insignificant increase in travel expenses.

Officials at the **Missouri Senate** assume there is no fiscal impact beyond existing resources.

Officials at the **Missouri House of Representatives** assume DESE will cover any expenses and therefore this proposal does not have a fiscal impact.

ASSUMPTION (continued)

Bill as a Whole

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.

Officials at the following school districts: Arcadia Valley R-2, Aurora R-8, Bakersfield, Belton, Benton County R-2, Bismark R-5, Bloomfield R-14, Blue Springs, Bolivar R-I, Bowling Green R-1, Branson, Bronaugh R-7, Campbell R-2, Carrollton R-7, Caruthersville, Central R-III, Chilhowee R-4, Chillicothe R-II, Clarkton C-4, Cole R-I, Columbia, Concordia R-2, Crawford County R-1, Crocker R-II, Delta C-7, East Carter R-2, East Newton R-6, Eldon R-I, Fair Grove, Fair Play, Fayette 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, King City R-1, Kirksville, Laclede County R-1, Laredo R-7, Lee Summit, Leeton R-10, Lewis County C-1, Lindbergh, Lonedell R-14, Macon County R-1, Mehville, Meramec Valley R-3, Mexico, Midway R-1, Milan C-2, Moberly, Monroe City R-I, Morgan County R-2, Nixa, North St. Francois Co. R-1, Northeast Nodaway R-5, Odessa R-VII, Oregon-Howell R-III, Osage County R-II, Osborn R-O, Pattonville, Pierce City, Plato R-5, Princeton R-5, Raymore-Peculiar R-III, Raytown, Reeds Springs R-IV, Renick R-5, Richland R-1, Riverview Gardens, Salisbury R-4, Scotland County R-I, Sedalia, Seymour R-2, Sikeston, Silex, Slater, Special School District of St. Louis County, Spickard R-II, Springfield, St. Charles, St. Elizabeth, St Joseph, St Louis, Sullivan, Valley R-6, Verona R-7, Warrensburg R-6, and the Westview C-6 School District did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
GENERAL REVENUE			
<u>Cost</u> - Department of Elementary and Secondary Education - data collection	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
ESTIMATED NET EFFECT ON GENERAL REVENUE	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <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 act requires the state board of education and career and technical education advisory council to establish minimum requirement for a career and technical education certificate (CTE) that a student can earn in addition to their high school diploma. Students entering high school in the 2017-18 school year and thereafter will be eligible for a CTE certificate.

Each local school district shall determine the curriculum, programs of study, and course offerings based on the needs and interests of the students in the district, and no later than January 1, 2017, the Department of Elementary and Secondary Education shall develop a process for recognition of a school district's CTE certificate program.

This act also modifies the composition of the Career and Technical Education Advisory Council. Instead of the Governor appointing the Advisory Council's current eleven members, the Commissioner of Education will make these appointments. This act also expands the Advisory Council's membership to include two senators, one from each party, appointed by the President Pro Tempore of the Senate, and two representatives, one from each party, appointed by the Speaker of the House of Representatives. The four legislative members will serve on the Advisory Council until they resign, are no longer members of the General Assembly, or are replaced by new appointments.

FISCAL DESCRIPTION (continued)

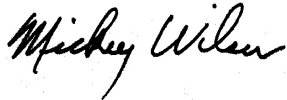
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Brentwood School District
Cassville School District
Department of Elementary and Secondary Education
East Newton School District
Everton R-III School District
Forsyth School District
Hawthorn Leadership Academy
Joint Committee on Administrative Rules
Kansas City Public Schools
Kearney School District
Kennett School District
Kingston 42 School District
Kirbyville School District
Macon County R-IV School District
Malta Bend School District
Middle Grove C-1 School District
Missouri House of Representatives
Missouri Senate
New Haven School District
Office of the Secretary of State
Parkway School District
Pettis County R-XII School District
Sarcoxie R-II School District
Shelby County R-IV School District
Shell Knob School District
Smithville R-II School District
Tipton School District

SOURCES OF INFORMATION (continued)

Warren County R-III School District
Webster Groves School District
West Plains School District
Wright City R-II School District



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February 9, 2016

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