

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0516-05
Bill No.: SCS for SB Nos. 44 & 63
Subject: Education
Type: Original
Date: February 16, 2017

Bill Summary: This proposal enacts certain provisions relating to career and technical education.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
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 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
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 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§160.572 ACT WorkKeys Assessment

Officials at the **Department of Elementary and Secondary Education (DESE)** assume no cost to the department.

In response to similar legislation filed this year, HB 94, officials at the **Parkway School District** assumed an additional impact of \$3,360 per year. The WorkKeys assessment is longer than the ACT so it would require it to be broken up over multiple days. It would also mean two administrative processes. As a result, the district would need 2 additional proctor/assistants at each high school for four days. Total 2 people x 4 days x 4 schools = 32 person days x 7 hour/day X \$15 per hour = \$3,360 a year.

In response to similar legislation filed this year, HB 94, officials at the **Kansas City Public Schools** assumed no additional fiscal impact as they currently allow certain students to take the ACT WorkKeys assessment.

In response to similar legislation filed this year, HB 94, officials at the **Special School District of St. Louis** assumed no fiscal impact as they already use the ACT WorkKeys assessment and the expenses are currently included in their budget.

Officials at the **West Plains School District** assumed the cost to fund the statewide assessment would likely be deducted from the state foundation formula money. Which could result in a loss of \$5,000 to \$10,000 annually.

In response to similar legislation filed this year, HB 94, officials at the **Wentzville R-IV School District** assumed a cost of \$2,000 for the time required to develop a field in our student information system and set up a separate testing schedule.

In response to similar legislation filed this year, HB 94, officials at the **Campbell R-II School District** assumed a positive unknown impact on the district.

In response to similar legislation filed this year, HB 94, officials at the following school districts: **Bakersfield R-IV, Bowling Green, Eldon, Everton, Malta Bend, Middle Grove, Warren County R-III and Wright City R-II School District** all assumed there was no fiscal impact from this proposal to their respective districts.

ASSUMPTION (continued)

In response to similar legislation filed this year, HB 94, officials at the **Pettis County R-XII School District** assumed no fiscal impact as they are a K-8 district only.

Oversight notes that on January 14, 2014, the state board of education approved the administration of the ACT Plus Writing assessment to all grade 11 students. This proposal would allow students to take the ACT WorkKeys assessment instead of the ACT Plus Writing assessment.

Oversight notes this proposal in §160.572.2 requires DESE to allow students to participate in the state-funded administration of the ACT WorkKeys assessment. Oversight assumes that since DESE would be required to pay for the ACT WorkKeys assessment that there would be no cost to school districts for the purchase of the assessment.

Oversight notes that DESE currently pays for the ACT Plus Writing Assessment and would be required to pay for the ACT WorkKeys Assessment. Oversight assumes this substitute of assessments would not incur additional expenses for the state.

§162.1115 Career and Technical Education Assessments

Officials at the **DESE** assume there is no fiscal impact from this proposal.

In response to similar legislation filed this year, SB 63, officials at the **Wentzville School District** assumed \$4,500 for the time to review technical course-work and skills assessments developed for industry-recognized certificates and credentials.

In response to similar legislation filed this year, SB 63, officials at the **Warren County R-III School District** assumed a minimal impact.

In response to similar legislation filed this year, SB 63, officials at the **Bakersfield R-IV, Bowling Green, Everton R-III, Kansas City, Middle Grove, Parkway, Pettis County R-XII, Special School District of St. Louis, West Plains, and the Wright City R-II School District** each assumed there was no fiscal impact from this proposal to their respective district.

Oversight notes this proposal allows school districts to rely on industry-recognized certificates and credentials when establishing a career and technical education program but does not require they use them. Oversight assumes this proposal would not have a fiscal impact as it is optional.

ASSUMPTION (continued)

§170.028 Career and Technical Education Certification Program

Officials at the **DESE** assume there is no fiscal impact from this proposal.

In response to the previous version of this proposal, officials at the **Wentzville R-IV School District** assumed \$3,000 in administrative costs to manage and record assessments taken by students.

In response to the previous version of this proposal, officials at the **Campbell R-II School District** assumed a huge impact if more career and technical classes are required.

In response to the previous version of this proposal, officials at the **Bronaugh, Everton, Kansas City, Pettis County R-XI** and the **West Plains** school districts each assumes there was no fiscal impact from this proposal.

Oversight notes the Career and Technical Education delivery system consists of 444 comprehensive high schools, 57 area career centers, the State Technical College of Missouri, 12 community colleges, and 7 four year institutions.

§178.550 Career and Technical Advisory Council

Officials at the **Department of Economic Development** assume there is no fiscal impact from this proposal.

In response to the previous version of this proposal, officials at the **Warren County R-III School District** assumed it is unclear if the proposed legislation would have a fiscal impact on the district with relation to the phrase, "Cooperate with local school districts to ensure that the curriculum for the career and technical education certification program...will lead to industry-recognized certificates or credentials." If this will require changes in curriculum for the school district, then there would be some fiscal impact. It is indeterminate at this time.

Bill as a Whole

Officials at the **Forsyth R-III School District** assume the impact is unknown.

Officials at the **Kirksville R-III School District** assume a slight negative fiscal impact.

Officials at the **Concordia R-II School District** assume there is no fiscal impact from this proposal.

ASSUMPTION (continued)

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, Branson, Brentwood, Carrollton R-7, Caruthersville, Central R-III, Chilhowee R-4, Chillicothe R-II, Clarkton C-4, Cole R-I, Columbia, Crawford County R-1, Crocker R-II, Delta C-7, East Carter R-2, 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, 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, Meramec Valley R-3, Mexico, Midway R-1, Milan C-2, 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, Pattonville, 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, Sedalia, Seymour R-2, Shell Knob #78, Sikeston, Silex, Smithville R-2, Spickard R-II, Springfield, St Joseph, St Louis, St. Charles, St. Elizabeth R-4, Sullivan, Valley R-6, Verona R-7, Warrensburg R-6, Waynesville, Webster Groves and the Westview C-6 school districts did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<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 Career and Technical Education Certification (CTEC) Program. The purpose of the program is to provide students with the necessary technical employability skills to be prepared for an entry-level career in a technical field or additional training in a technical field.

The State Board of Education shall establish a procedure by which a student may receive credit toward graduation for completing a CTEC offering, which shall include but shall not be limited to an industry certification, a state-issued professional license, an occupational competency assessment, or a CTEC exam, as defined in the act.

The Career and Technical Education Advisory Council shall annually approve and publish a list of such CTEC offerings. During the approval process the Council shall ensure that the curriculum and programs of study developed by local districts for the career and technical education certificate are compatible with the CTEC offerings. The Council shall also develop an application form that may be used by the business and industry communities, local school districts, or institutions of higher education to include new CTEC offerings.

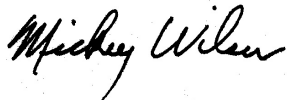
This act also modifies the composition of the Career and Technical Education Advisory Council by adding the director of the Department of Economic Development, or his or her designee.

This act also requires the Council to encourage local employers to participate in college and career fairs hosted by local school districts, and to cooperate with local school districts to ensure that the curriculum for the career and technical education certificate includes programs of study and course offerings that will lead to industry-recognized certificates or credentials.

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 School District
Bowling Green School District
Bronaugh School District
Campbell R-II School District
Concordia R-II School District
Department of Economic Development
Department of Elementary and Secondary Education
Eldon School District
Everton R-III School District
Forsyth R-III School District
Kansas City Public Schools
Kirksville R-III School District
Malta Bend School District
Mehlville School District
Middle Grove School District
Parkway School District
Pettis County R-XII School District
Special School District of St. Louis
Warren County R-III School District
Wentzville R-IV School District
West Plains School District
Wright City R-II School District



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