

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5617-01  
Bill No.: SB 873  
Subject: Elementary and Secondary Education; Department of Elementary and Secondary Education  
Type: Original  
Date: February 12, 2018

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Bill Summary: This proposal requires the State Board of Education to convene a work group about a ninth grade course on career readiness.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	(\$32,329)		
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$32,329)</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</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 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total Estimated Net Effect on FTE</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 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Department of Elementary and Secondary Education (DESE)** assume a cost of \$32,329 (\$22,227 in travel expenses and \$10,102 in public hearing expenses).

Officials at the **Office of the Governor, Office of the Lieutenant Governor** and the **Missouri Senate** each assume there is no fiscal impact from this proposal to their respective organization.

Officials from the **Kirksville R-III School District** assume this proposal would have a limited negative effect on the fiscal budget for the district as long as an existing educational certificate would work for a teacher to teach this class.

Officials from the **Summersville R2 School District** assume a possible negative fiscal impact.

Officials from the **West Plains School District** assume work group itself would result in no cost. However, if a new required course is implemented this would result in additional staffing and resource costs of about \$75,000 per year.

Officials from the **Wellsville-Middletown R-1 School District** assume this proposal has the potential to have a substantial negative fiscal impact on our school's budget by requiring the creation of another course with all that entails (curriculum, staffing, materials, room, etc).

Officials from the **East Carter County R-2 School District** assume the proposal will have no fiscal impact on their organization.

**Oversight** notes this proposal would require the state board of education to convene a work group about a ninth grade course on college preparation and career readiness. The work group is to consider a curriculum based on the requirements of this proposal. Oversight notes that the workgroup established by DESE may do work in FY 2019 and some work in FY 2020. For the simplicity of the fiscal note, Oversight is showing all the expenses in FY 2019.

**Oversight** assumes this proposal does not currently require school districts to teach the course under consideration by the work group. Oversight will not show a fiscal impact to school districts.

ASSUMPTION (continued)

Officials at the following school districts: Arcadia Valley R-2, Avilla R-13, Bakersfield, 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, Cole R-I, Columbia, Concordia R-2, Crawford County R-1, Crocker R-II, Delta C-7, 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 Public Schools, 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, 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, Parkway, Pattonville, 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, Seymour R-2, 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.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
<b>GENERAL REVENUE FUND</b>			
<u>Cost - DESE - travel &amp; meeting expenses</u>	<u>(\$32,329)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>(\$32,329)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION


Before January 1, 2019, the State Board of Education must convene a work group to explore a course offering that would cover topics related to exploring various career and educational opportunities, as specified in the bill. In addition to the topics covered, the course should focus on career readiness and emphasize the importance of work ethic, communication, collaboration, critical thinking, and creativity. The course should also demonstrate that graduation from a four-year college is not the only path to success and discuss other pathways.

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

Department of Elementary and Secondary Education  
Missouri Senate  
Office of the Governor  
Office of the Lieutenant Governor  
Kirksville R-III School District  
Summersville R2 School District  
West Plains School District  
East Carter County R-2 School District

Ross Strobe



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February 12, 2018