

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2029S.02I
Bill No.: SB 566
Subject: Education, Higher; Higher Education and Workforce Development, Department of
Type: Original
Date: April 12, 2021

Bill Summary: This proposal establishes the "Campus Intellectual Diversity Act" to create offices of public policy events at each public institution of higher education.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue	Up to (\$3,019,775)	Up to (\$2,949,295)	Up to (\$2,993,716)
Total Estimated Net Effect on General Revenue	Up to (\$3,019,775)	Up to (\$2,949,295)	Up to (\$2,993,716)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
College & University Funds	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue	Up to 28 FTE	Up to 28 FTE	Up to 28 FTE
Total Estimated Net Effect on FTE	Up to 28 FTE	Up to 28 FTE	Up to 28 FTE

- ☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Higher Education and Workforce Development (DHEWD)** state section 173.2161 creates the “Campus Intellectual Diversity Act.” This act requires the Coordinating Board for Higher Education (CBHE) to establish, fund, and staff an Office of Public Policy Events on every campus of every institution for the following purposes:

1. Organizing a substantial number of debates, group forums, and individual lectures;
2. Obtaining the participation of speakers who represent widely held views on opposing sides of the most widely discussed public policy issues of the day; and
3. Inviting and hosting speakers who can ably articulate widely held perspectives on public policy issues otherwise poorly represented on campus.

The act also requires these offices to fulfill a variety of tasks outlined in the bill from organizing debates/forums/lectures to recording those and storing them for years while also making the recordings available on-demand. The act also requires the creation of a printed calendar of events. While the bill appears to give the CBHE the ability to assign these duties to an existing office at a campus and makes the act subject to appropriations, it also requires the institutions to pay for the implementation and ongoing costs if no new appropriations are made.

The estimate for this fiscal notes includes 2 staff with the title of Public Information Coordinator (\$45,700 annually for FTE) level to help coordinate these tasks and to provide training and serve as backup to staff to be located at each main campus. The estimate also includes a single dedicated staff person for each public institution subject to the act. These positions would be filled at the Public Information Specialist (\$36,256 annually per FTE) level to meet the requirement of the act for each institution.

Total salaries in FY 22 would be \$861,713 and \$1,044,397 in the first full-year of implementation in FY 23. Standard fringe benefit rates are also included per OA.

Office of Administration (OA) standards are included for most employee cost per FTE per OA FY 22 Budget Instructions. It is assumed no additional leasing space will be needed. However, due to the nature of the video management of these positions, a more robust computer will be needed for the 28 staff estimated at \$2,895 each. This totals \$81,060 for these computers.

Special equipment will be needed to record these events and it is a standard practice to buy a main camera and a backup. Camera tripods, external microphones, cabling, backup camera batteries and carrying cases are needed.

Ongoing costs include OA ITSD standards but also include Adobe Creative Cloud software for software editing and storage.

Rather than buying a video-on-demand system and software for each institution and their libraries, the DHEWD would contract with MORENET to provide such a system for video-on-demand access where all videos would be archived and made available on demand via the internet as required in the bill. This annual service is estimated at \$10,000 per institution per year. Since it is unknown how many events each institution has that meet the definitions in the bill, this is the best estimate of the services fees required at this time. Students would be able to access the video-on-demand system from any computer with internet, including at the institution's library.

The bill also requires the printing of a calendar of these events and that is estimated at 250 copies at \$6 each for a total of \$1,500 annually.

Finally, the bill provides for the payment of speaker fees/honorarium estimated at each institution have a quarterly speaker at an average fee (inclusive of travel) of \$7,500 each. Four events per campus would be \$30,000 annually. Statewide for 26 institutions, that is estimated at \$780,000 for all 26 institutions. It is assumed each institution with multiple campus locations would have discretion to move those events around to their different campus locations rather than budgeting for each campus separately.

Overall, the total cost of this bill would be \$3,019,775 in FY 22, \$2,949,295 in FY 23 and \$2,993,716 in FY 24.

Officials from the **University of Missouri System** anticipate that costs associated with implementing this legislation across its four universities could exceed \$100,000 in order to comply with the bill. Staffing will be required in order to perform the various functions called for by the bill, as well as to regularly assess and collect information regarding existing campus efforts to ensure the Office of Public Policy's efforts are not duplicative.

Officials from the **Southeast Missouri State University** estimate a likely negative fiscal impact as a result of this legislation. Any impact is likely to include costs associated with implementing the requirements of the bill and how the language is interpreted. For example, Section 3 on page 1 says "CBHE shall establish, fund and staff an office on every campus...", however, Section 8 on page 4 says the general assembly may appropriate funds to schools but if not, the school shall provide moneys from other funds appropriated to it. Without additional information as to who will bear the responsibility for costs on implementation and support for on-going operations, the University is unable to estimate a more specific fiscal impact.

Officials from the **State Technical College of Missouri** state this could have a negative fiscal impact. No amount can be estimated.

Officials from the **University of Central Missouri** has determined the potential for increased costs but indeterminate at this time.

Officials from the **St. Charles Community College** assume the proposal will have no fiscal impact on their organization.

Oversight assumes this proposal creates an office of public policy events at each institution of higher education. Oversight will show an impact to General Revenue up to the cost estimated by DHEWD.

Oversight assumes the Coordinating Board for Higher Education may assign the duties of the office of public policy events to an existing administrative office at an institution and the General Assembly may appropriate funds to each institution to fund the office. Oversight assumes the funds appropriated to institutions for the office of public policy event would be offset by a reduction in the costs experienced by DHEWD; therefore, Oversight will show a net impact up to the amount estimated by DHEWD.

Oversight notes the General Assembly may appropriate funds to each institution for an office of public policy events and if no funds are appropriated the institution shall provide funds for the office. Therefore, Oversight will show a range of impact to colleges and universities of \$0 (duties not assigned to an administrative office of the institution) to an unknown cost.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
GENERAL REVENUE			
<u>Costs</u> - DHEWD - Public Information Coordinators	Up to ...	Up to ...	Up to ...
Personal Service	(\$76,167)	(\$92,314)	(\$93,237)
Fringe Benefits	(\$45,606)	(\$55,036)	(\$55,347)
Equipment & Expense	(\$39,082)	(\$10,751)	(\$11,023)
<u>Total Costs</u>	(\$160,855)	(\$158,104)	(\$159,607)
Estimated FTE - DHEWD - §173.2161	Up to 2 FTE	Up to 2 FTE	Up to 2 FTE
<u>Costs</u> - DHEWD - Public Information Specialists for each institution	Up to ...	Up to ...	Up to ...
Personal Service	(\$785,547)	(\$952,083)	(\$961,603)
Fringe Benefits	(\$523,822)	(\$631,768)	(\$634,981)
Equipment & Expense	(\$508,054)	(\$139,803)	(\$143,296)
<u>Total Costs</u>	(\$1,817,423)	(\$1,723,654)	(\$1,739,880)
Estimated FTE - DHEWD - §173.2161	Up to 26 FTE	Up to 26 FTE	Up to 26 FTE
<u>Costs</u> - printing, speaker fees, video recording system - §173.2161	Up to (\$1,041,500)	Up to (\$1,067,538)	Up to (\$1,094,227)
<u>Transfer Out</u> - if appropriated, to institutions that have been assigned the duties of the office of public policy events - §173.2161	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE	Up to (\$3,019,778)	Up to (\$2,949,296)	Up to (\$2,993,714)
Estimated Net FTE Change on General Revenue	Up to 28 FTE	Up to 28 FTE	Up to 28 FTE

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
COLLEGE & UNIVERSITY FUNDS			
<u>Transfer In</u> - if appropriated, from General Revenue for institutions that have been assigned the duties of the office of public policy events - §173.2161	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Costs</u> - implementation costs to fund and staff an office of public policy events - §173.2161	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON COLLEGE & UNIVERSITY FUNDS	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
COMMUNITY COLLEGE FUNDS			
<u>Transfer In</u> - if appropriated, from General Revenue for institutions that have been assigned the duties of the office of public policy events - §173.2161	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Costs</u> - implementation costs to fund and staff an office of public policy events - §173.2161	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON COMMUNITY COLLEGE FUNDS	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This act establishes the "Campus Intellectual Diversity Act".

The Coordinating Board for Higher Education shall establish, fund, and staff an office of public policy events on every campus of every public institution of higher education. The purpose of the office will be to organize debates, group forums, and individual lectures.

The office shall seek out speakers that represent opposing sides of public policy issues and that can articulate both opposing and widely held perspectives on public policy issues. The office may seek speakers from outside the institution if appropriate speakers within the university cannot be found.

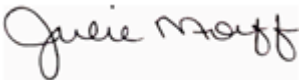
The office shall pay necessary honoraria and expenses for event participants from outside the campus community.

In addition, the office shall maintain a calendar of public policy events to be held at each institution and shall present by September 1st annually a copy of the previous academic year's event calendar to the public, the Governor, and the General Assembly. The office shall also make publicly available a complete internet-accessible video recording of all debates, group forums, and lectures organized by the office. Video records shall be maintained with access to the public for at least five years following the date of the event and permanently preserved by the institution's library.

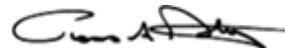
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Higher Education and Workforce Development
University of Missouri System
Southeast Missouri State University
State Technical College of Missouri
University of Central Missouri Legislative Research



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April 12, 2021



Ross Strobe
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April 12, 2021