

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3508S.02I
 Bill No.: SB 976
 Subject: Education, Elementary and Secondary; Department of Elementary and Secondary Education; Science and Technology; State Treasurer; Appropriations
 Type: Original
 Date: February 15, 2024

Bill Summary: This proposal establishes provisions relating to technological education in public schools and creates the Stem Career Awareness Activity Fund.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue*	(\$114,532)	More or less than (\$169,410)	More or less than (\$169,410)
Total Estimated Net Effect on General Revenue	(\$114,532)	More or less than (\$169,410)	More or less than (\$169,410)

*Subject to appropriation.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Stem Career Awareness Activity Fund*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

*Distributions and transfers net to zero.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on FTE	0	0	0

- 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 2025	FY 2026	FY 2027
Local Government	(Unknown)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Section 161.264 Stem Career Awareness

Officials from the **Department of Elementary and Secondary Education (DESE)** assume this would require DESE to solicit proposals to provide STEM Career Awareness activities and programs for students in grades nine through twelve. Based on a current program and contract for students in grades six through eight that began in FY 2021 the contract cost could be between \$150,000 and \$370,000 (Year one expenditures up to current appropriation level), dependent upon appropriation. DESE assumes a transfer would be made for this contract into the STEM Career Awareness Fund.

In response to a similar proposal, HB 887 (2023), officials from **DESE** stated, as written, this proposal would not have a direct fiscal impact on DESE as long as they could identify a vendor/provider outside of DESE. DESE believes this initiative (STEM Awareness for 9-12) does sound similar to their current STEM Awareness Program for middle level education, which requires an RFP for a vendor (pending appropriations), but the logistics of the RFP process could be facilitated by existing staff working with Office of Administration.

Oversight assumes the cost for a vender would be similar to the cost for the existing STEM Career Awareness Program (grades 6-8, created in HB 3 2018 1st Extraordinary Session). Oversight notes the following transfers and disbursements to the existing STEM Career Awareness Program Fund (0997) per the Office of the State Treasurer’s Fiscal Year End Funds Reports:

Fiscal Year	Disbursements	Transfers In
FY 2019	\$150,000	\$150,000
FY 2020	\$150,000	\$210,625
FY 2021	\$150,000	\$150,000
FY 2022	\$194,250	\$132,116
FY 2023	\$202,800	\$242,500
Average	\$169,410	\$177,048

Oversight will show a cost that could be more or less than average disbursement for the existing STEM Career Awareness Program.

Oversight assumes this proposal creates the STEM Career Awareness Activity Fund. For simplicity, Oversight assumes all funds will be utilized in the year in each they were received.

Section 161.265 Social Media Safety Instruction

Officials from **DESE** assume this would require the development of a model curriculum. This would require DESE to convene a workgroup consisting of 22 educators representing all RPDC regions (nine middle school teachers, nine high school teachers, two middle school counselors, two high school counselors, two middle school administrators, and two high school administrators. DESE estimates eight meetings would be required totaling a cost of \$114,532.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the estimated impact from DESE in the fiscal note.

Oversight notes that section 161.265.4 requires each school district to offer instruction on social media and internet safety to students in grades six through twelve and students' parents shall be given the ability to opt their child out of such instruction. In addition, the proposal provides that a school district shall provide and adopt an internet safety policy for student access to the internet provided by the school district. Therefore, Oversight will reflect an unknown cost to school districts to implement the provisions of this proposal.

Responses regarding the proposed legislation as a whole

Officials from the **Office of the State Treasurer** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note 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 \$5,000. 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 its 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 received zero responses from school districts related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note. Oversight only reflects the responses received from state agencies and political subdivisions; however, school districts were

requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE			
<u>Transfer Out – to the STEM Career Awareness Activity Fund - §161.264</u>	\$0	More or less than (\$169,410)	More or less than (\$169,410)
<u>Costs- DESE - convene a workgroup for model curriculum development - §161.265</u>	(\$114,532)	\$0	\$0
ESTIMATED NET EFFECT ON GENERAL REVENUE	(\$114,532)	More or less than (\$169,410)	More or less than (\$169,410)
STEM CAREER AWARENESS ACTIVITY FUND			
<u>Transfer In – from General Revenue - §161.264</u>	More or less than \$169,410	More or less than \$169,410	More or less than \$169,410
<u>Income – gifts, bequests or donations - §161.264</u>	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Costs - for a vendor to implement the statewide program - §161.264</u>	More or less than (\$169,410)	More or less than (\$169,410)	More or less than (\$169,410)
ESTIMATED NET EFFECT ON THE STEM CAREER AWARENESS ACTIVITY FUND	\$0	\$0	\$0

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
SCHOOL DISTRICTS			
Costs – implement various provisions for §161.265	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</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 provisions relating to technological education in public schools.

STEM CAREER AWARENESS (Section 161.264)

This act creates the "STEM Career Awareness Activity Fund" for the purpose of establishing a science, technology, engineering, and mathematics (STEM) activity program for students in grades nine through twelve. Under the act, the Department of Elementary and Secondary Education (DESE) shall select a provider to deliver a teacher-led program that involves facilitating a cohort of students to conduct STEM activities at state, national, or international competitions. DESE shall select a provider that presents data demonstrating the effectiveness of the program in achieving certain goals specified in the act. DESE shall begin soliciting applications from providers by January 1, 2025, and select a provider by March 1, 2025.

SOCIAL MEDIA SAFETY INSTRUCTION (Section 161.265)

Under the act, the Department of Elementary and Secondary Education (DESE) shall create a model curriculum and instructional materials for social media safety instruction for students in grades 6 through 12. The model curriculum and instructional materials shall be published on DESE's website and the website of each school district. Each school district shall notify students' parents of the availability of such materials online. DESE shall periodically update such materials to reflect changes in social media use, emergent technologies, and new threats to teens using social media platforms.

Each school district shall offer instruction on social media and internet safety to students in grades 6 through 12. Students' parents shall be given the ability to opt their child out of such instruction. The act outlines certain topics that shall be included in such instruction, such as the negative effects of social media on mental health; the permanency of sharing materials online;

and how to report suspicious behavior. The act also specifies certain benefits of social media that may be covered in the instruction.

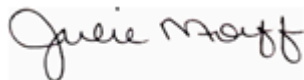
A school district shall prohibit student access to social media platforms through the use of internet access provided by the school district, except when access to social media is expressly directed by a teacher solely for educational purposes.

Finally, the act provides that a school district shall provide and adopt an internet safety policy for student access to the internet provided by the school district. Such policy shall include certain provisions specified in the act, including limiting internet access to age-appropriate subject matter and prohibiting students from accessing websites that do not protect against the disclosure, use, or dissemination of students' personal information.


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
Office of the Secretary of State
Joint Committee on Administrative Rules
Office of the State Treasurer



Julie Morff
Director
February 15, 2024



Ross Strobe
Assistant Director
February 15, 2024