

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0931S.01I  
 Bill No.: SB 69  
 Subject: Higher Education; Department of Higher Education and Workforce Development  
 Type: Original  
 Date: January 20, 2025

Bill Summary: This proposal modifies provisions of the higher education core curriculum transfer act.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue*	(\$308,011)	(\$365,074)	(\$293,338)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$308,011)</b>	<b>(\$365,074)</b>	<b>(\$293,338)</b>

\*Oversight reflects estimates from DHEWD for Section §§178.786 and 178.787 – Higher Education Core Curriculum Transfer Act. Oversight notes, according to DHEWD to establish new software, hire one FTE for the added workload, and bring in a consultant costs will exceed \$250,000.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
College & University*	(Unknown)	(Unknown)	(Unknown)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

\* Unknown costs/losses are assumed to exceed \$250,000 annually.  
 Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</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 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
General Revenue	1 FTE	1 FTE	1 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>1 FTE</b>	<b>1 FTE</b>	<b>1 FTE</b>

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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §§178.786 and 178.787 – Higher Education Core Curriculum Transfer Act

Officials from the **Department of Higher Education and Workforce Development (DHEWD)** state the proposed legislative changes will cause a fiscal impact to the DHEWD. DHEWD projects the following costs for Section 178.786 (4):

(1) To create clear transfer pathways, including common course numbering matrices, across Missouri's public institutions in five degree program areas (general business, elementary education and teaching, psychology, registered nursing, and biology), they will need to gather degree program data from all institutions, analyze it, and work with faculty and senior leadership to make proposed changes to the programs. To accomplish this, they will need to secure a national expert to provide analysis and technical assistance. DHEWD estimates consultant costs at approximately \$70,000, based on similar work done in Louisiana.

(2) The OPP will need 1.0 FTE at the Program Specialist level (estimated salary of \$50,000 + \$33,774.97 fringe = \$83,774.89) to handle the increased workload resulting from creation of the pathways (including meeting preparation, creating common course equivalencies, additional course reviews, IT management, etc.).

(3) The Core Curriculum Advisory Committee, or similar committee established to handle the project, will need to meet monthly for the 18 months prior to the launch of the pathways, and then on an ongoing basis to manage the work each academic year. The committee would begin meeting in September 2025, and meet monthly until February 2027, at which time the new courses would be due for publication in institutional catalogs for the AY 2028 academic year. There are currently 37 members of the CCAC, and lunch per diem is \$11 in Jefferson City, costing \$407 per meeting and \$7,326 over the course of the 18 months.

(4) The recently launched CORE 42 submission portal will need to be enhanced to accommodate additional requirements from the expanded transfer pathways. This will include building a new model to handle pathways instead of courses, and accommodations for different components including review structures and timelines. The DHEWD worked with Accenture to build the current system using Service Now software. ITSD projects cost \$150,000 for the first year and \$200,000 in the second and third years, for a total of \$550,000.

**Oversight** has no information to the contrary. Therefore, Oversight will present the fiscal impact to the General Revenue Fund provided by DHEWD as \$308,011 for FY 2026; \$365,074 for FY 2027 and \$293,338 for FY 2028.

Officials from the **University of Missouri System (UM)** state this legislation would require significant investment of resources to develop a 60-hour core curriculum for each of the five

identified academic programs, including reaching consensus on the core across Missouri's 14 public community colleges and 13 public universities. These investments in faculty and staff resources would be necessary to expand the existing CORE 42 program to 60 credits, which may include modifications to the curricula of many programs to accommodate all credit hours into specific programs. To the extent the additional 18 credits are in areas unrelated to the student's degree, this new requirement would increase the educational costs for the student.

Officials from the **University of Central Missouri** assume there would be an indeterminate fiscal impact at UCM.

**Oversight** has no information to the contrary. Oversight will present (Unknown) costs/losses as the fiscal impact to College and University Funds. It is assumed the impact could exceed \$250,000 annually. In addition, Oversight assumes these core classes would be classes potentially transferred from community colleges. The proposal will have no fiscal impact on local governments but would represent a loss in fees to four-year colleges and universities.

**Oversight** only reflects the responses received from state agencies and political subdivisions; however, other colleges and universities 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 2026 (10 Mo.)	FY 2027	FY 2028
<b>GENERAL REVENUE FUND</b>			
<u>Costs – DHEWD (§§178.786 and 178.787) p.3</u>			
Personal service	(\$41,667)	(\$51,000)	(\$52,020)
Fringe benefits	(\$29,860)	(\$36,233)	(\$36,642)
Equipment and expense	(\$12,414)	(\$4,585)	(\$4,676)
<b>Total Costs - DHEWD</b>	<b>(\$83,941)</b>	<b>(\$91,818)</b>	<b>(\$93,338)</b>
FTE Change - DHEWD	1 FTE	1 FTE	1 FTE
<u>Costs – ITSD/Other - DHE (§§178.786 and 178.787) p.3</u>			
CCAC Meeting Expenses	(\$4,070)	(\$3,256)	\$0
Consultant – Analysis & Technical	(\$70,000)	(\$70,000)	\$0
CORE 42 ITSD Enhancements	(\$150,000)	(\$200,000)	(\$200,000)
<b>Total Costs – ITSD/DHE</b>	<b>(\$224,070)</b>	<b>(\$273,256)</b>	<b>(\$200,000)</b>
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>(\$308,011)</u></b>	<b><u>(\$365,074)</u></b>	<b><u>(\$293,338)</u></b>
Estimated Net FTE Change on the General Revenue Fund	1 FTE	1 FTE	1 FTE
<b>COLLEGE &amp; UNIVERSITY FUNDS</b>			
<u>Costs – College &amp; Universities (§§178.786 and 178.787) – Expansion of core curriculums from 42 to 60 classes p.3</u>			
	(Unknown)	(Unknown)	(Unknown)
<u>Losses – College &amp; Universities (§§178.786 and 178.787) – Reduction in fees p.4</u>			
	(Unknown)	(Unknown)	(Unknown)
<b>ESTIMATED NET EFFECT ON COLLEGE &amp; UNIVERSITY FUNDS</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<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

The act provides that the Coordinating Board for Higher Education shall, with the assistance of an advisory committee composed of representatives from each public community college and public four-year institution of higher education, approve a 60 credit-hour, transferable, lower-division course curriculum and a common course numbering equivalency matrix for degree programs in the following subjects: general business, elementary education and teaching, general psychology, registered nursing, and general biology or biological science, or both. Each public community college and public four-year institution of higher education that offers the applicable degree programs shall include in such degree programs the common course numbering equivalency matrix approved by the Coordinating Board. The Coordinating Board shall complete its work with the advisory committee before June 30, 2027, and the transferable courses and common course numbering equivalency matrix shall be implemented at all public institutions of higher education for the 2028-29 academic year. No institution of higher education shall be required to adopt the transferable lower-division course curriculum for degree programs not offered at the institution.

If a student successfully completes the transferable lower-division courses at a community college or other public institution of higher education, those courses may be transferred to any other public institution of higher education in this state and shall be substituted for the receiving institution's core curriculum for the same degree program. A student shall receive academic credit toward his or her degree for each of the courses transferred and shall not be required to take additional core curriculum courses at the receiving institution for the same degree program.

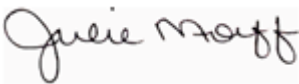
If a student transfers from one public institution of higher education to another public institution of higher education without completing all of the transferable lower-division courses of the sending institution, such student shall receive academic credit toward the same degree program from the receiving institution for each of the courses that the student has successfully completed. Following receipt of credit for these courses, the student may, if the student has not completed all of the transferable lower-division courses, be required to satisfy further course requirements in the core curriculum of the receiving institution.

The Coordinating Board shall report to the House Committee on Higher Education and the Senate Committee on Education regarding progress made toward fulfilling the requirements of the act before December 31, 2026.

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 Systems  
University of Central Missouri



Julie Morff  
Director  
January 20, 2025



Jessica Harris  
Assistant Director  
January 20, 2025