

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 4044-01
BILL NO.: SB 1066
SUBJECT: Education, Higher: Telecommunications
TYPE: Original
DATE: March 10, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	(\$0 TO UNKNOWN)	(\$0 TO UNKNOWN)	(\$0 TO UNKNOWN)
Total Estimated Net Effect on <u>All</u> State Funds*	(\$0 TO UNKNOWN)	(\$0 TO UNKNOWN)	(\$0 TO UNKNOWN)

*Unknown costs could exceed \$100,000 annually.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Coordinating Board For Higher Education (CBHE)** assume there would be no impact on the CBHE. However, there would almost certainly be a fiscal impact on colleges and universities as most are presently struggling to maintain current levels of information technology staff, equipment, and software. CBHE officials assume this legislation would create additional responsibilities for institutions in the area of information technology and would require additional resources.

Officials from **Harris-Stowe State College** assume the proposal would result in additional cost for two computer information technologists (\$44,000 each), resulting in total costs of approximately \$120,000 annually.

Officials from the **Missouri Western State College** assume a fiscal impact would result only if the institution would be prohibited from charging fees for use of the facilities.

Officials from the **University of Missouri** stated the four-year public universities recently concluded a study that indicated they needed over \$20,000,000 in additional recurring funds to support their faculty and students in order to stay technically current and competitive. The proposal would increase this number at least several million dollars.

Officials from **Linn State Technical College** assume they would need two telecommunity employees at \$60,000 each. Therefore, total costs would approximate \$110,000 annually.

Officials from **Southwest Missouri State University** assume they would need two instructors at \$35,000 each and one technical support supervisor at \$35,000. In addition, they assume they would need thirty computers and software. Therefore, total costs would be approximately \$200,000 annually.

The proposal states, "each center would use the institution's existing information technology resources, including staff, office space, equipment and information access." Any additional assistance would be subject to appropriations. Therefore, the **Oversight Division** assumes the fiscal impact would range from zero to unknown costs, exceeding \$100,000 annually.

L.R. NO. 4044-01
 BILL NO. SB 1066
 PAGE 3 OF 4
 March 10, 2000

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
---	---------------------	---------	---------

GENERAL REVENUE FUND

Cost-Appropriations to Colleges and Universities

Telecommunity Centers*	<u>(\$0 TO UNKNOWN)</u>	<u>(\$0 TO UNKNOWN)</u>	<u>(\$0 TO UNKNOWN)</u>
------------------------	--------------------------------	--------------------------------	--------------------------------

***Unknown costs could exceed \$100,000 annually.**

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
---	---------------------	---------	---------

	\$0	\$0	\$0
--	------------	------------	------------

FISCAL IMPACT - Small Business

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

DESCRIPTION

Each state four-year institution of higher education and each state community college would establish a local telecommunity center. Telecommunity centers would provide opportunities for local community residents to learn computer literacy. The centers would provide staffing and technical assistance.

Each center would use the institution's existing information technology resources, including staff, office space, equipment and information access, and, subject to appropriation, could include additional staffing for instruction, supervision and technical assistance.

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

L.R. NO. 4044-01
BILL NO. SB 1066
PAGE 4 OF 4
March 10, 2000

SOURCES OF INFORMATION

Coordinating Board For Higher Education
Southwest Missouri State University
Missouri Western State College
Harris-Stowe State College
Linn State Technical College
University of Missouri



Jeanne Jarrett, CPA
Director
March 10, 2000