

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0617-01  
Bill No.: HB 82  
Subject: Education, Higher; Higher Education Department  
Type: Original  
Date: January 14, 2015

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Bill Summary: This proposal requires public institutions of higher education to adopt policies on student favoritism.

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<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 2016</b>	<b>FY 2017</b>	<b>FY 2018</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 2016</b>	<b>FY 2017</b>	<b>FY 2018</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 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials at the **Department of Higher Education, Lincoln University, Metropolitan Community College, Missouri Southern State University, State Fair Community College** and the **University of Missouri** each assume there is no fiscal impact to their respective organizations from this proposal.

Officials at the **Missouri State University** assume this would negatively impact the University due to the implementation costs. However, the specific amount and extent is unknown at this time.

Officials at the **University of Central Missouri** estimate an impact of \$100,000 annually in increased costs to open and staff an office to administer procedures needed to ensure compliance.

Officials at the **State Technical College of Missouri (STC)** assume there would be time involved with current staff reviewing current policies to make sure that current policies satisfy all specifics in proposed legislation, but would appear that we could absorb these costs by utilizing the current staff. It appears that there would be no significant financial impact to STC at this time.

Officials at the **Missouri Western State University** assume that with regard to any potential financial implications, there does not appear to be any impact to the University unless there is a financial penalty assessed to an institution that is determined to have provided favoritism.

Officials at the **Moberly Area Community College** assume this proposal may cost the College \$600 -\$2,000 in the initial year of implementation and \$200 - \$1,000 annually thereafter.

Officials at the **Truman State University** assume they are unable to determine the impact at this time.

Officials at the **Joint Committee on Administrative Rules** assume there is no fiscal impact from this proposal.

Officials from the **Office of the Secretary of State (SOS)** state 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 \$2,500. The SOS recognizes that

ASSUMPTION (continued)

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 the 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** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials at the following colleges: Crowder, East Central Community College, Harris-Stowe, Jefferson College, Northwest Missouri State University, Southeast Missouri State University, St. Charles Community College, St. Louis Community College and the Three Rivers Community College did not respond to **Oversight's** request for fiscal impact.

**Oversight** assumes that the colleges and universities have staff that could review existing policies for compliance with these provisions or could create new policies on student favoritism. Oversight assumes the colleges and universities could absorb this proposal with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<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.

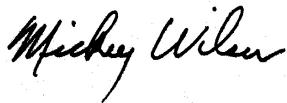
### FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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  
Joint Committee on Administrative Rules  
Lincoln University  
Metropolitan Community College  
Missouri Southern State University  
Missouri State University  
Missouri Western State University  
Moberly Area Community College  
Office of the Secretary of State  
State Fair Community College  
State Technical College of Missouri  
Truman State University  
University of Central Missouri  
University of Missouri



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