

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5896-02  
Bill No.: Perfected HCS for HB Nos. 2234 & 1985  
Subject: Education, Elementary and Secondary; Higher Education, Department  
Type: Original  
Date: March 30, 2016

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Bill Summary: This proposal requires the Department of Higher Education to establish a website containing information directing students to resources including academic programs, financial aid, and transferability of coursework for participating institutions of higher education.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
General Revenue	(\$436,706)	(\$133,586)	(\$136,030)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$436,706)</b>	<b>(\$133,586)</b>	<b>(\$136,030)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<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 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<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>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
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 \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

**Oversight** notes this proposal would require the Department of Higher Education to establish a website containing information for public and private higher education institutions directing students to resources on academic programs, financial aid and the transferability of courses between the institutions. Placement of the information is voluntary to the institution.

Officials at the **Department of Higher Education (DHE)** assume the need for one Research Associate I FTE to maintain the website, answer questions from institutions and students, input data, and other tasks associated with the operation of the new website. Additionally, there will be ongoing costs for website maintenance.

In response to the previous version, officials at the **Office of Administration's Information Technology Services Division (ITSD)** assumed DHE would require one new multiple screen application for transfer maintenance, one new process for institution details, one new database to hold this new data and a rewrite of the current student portal application to add in the transfer piece. Due to these efforts, they estimate a significant amount of time is needed to analyze, develop and implement these pieces. ITSD estimates 5,238 hours of work at \$75 an hour for a total cost in FY 2017 of \$392,850 and on-going costs of \$80,534 in FY 2018 and \$82,547 in FY 2019.

Officials at the **Missouri State University, Northwest Missouri State University, State Technical College of Missouri, University of Central Missouri** and the **University of Missouri** each assume there is no fiscal impact from this proposal to their respective institutions.

In response to the previous version of this proposal, officials at the **Missouri Western State University** and the **St. Louis Community College** each assumed there was no fiscal impact from this proposal to their institution.

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 this is a small amount and does not expect that additional funding would be required to meet

ASSUMPTION (continued)

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, Lincoln University, Metropolitan Community College, Moberly Area Community College, Missouri Southern State University, Northwest Missouri State University, Southeast Missouri State University, State Fair Community College, St. Charles Community College, Three Rivers Community College and the Truman State University did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
<b>GENERAL REVENUE</b>			
<u>Cost - DHE</u>			
Personal Service	(\$27,840)	(\$33,742)	(\$34,080)
Fringe Benefits	(\$16,016)	(\$19,310)	(\$19,403)
Computer Expenses- ITSD	(\$392,850)	(\$80,534)	(\$82,547)
<u>Total Cost - DHE</u>	<u>(\$436,706)</u>	<u>(\$133,586)</u>	<u>(\$136,030)</u>
FTE Change	1 FTE	1 FTE	1 FTE
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(\$436,706)</u></b>	<b><u>(\$133,586)</u></b>	<b><u>(\$136,030)</u></b>
Estimated Net FTE Change on General Revenue	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<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.

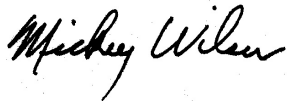
FISCAL DESCRIPTION

This bill requires the Department of Higher Education to develop, maintain, and operate a website containing information for public and private institutions of higher education in Missouri directing students to resources including, but not limited to, academic programs, financial aid, and how courses may be transferred from one institution of higher education to another. The information on the website must be made available to the public and must be accessible from various devices including, but not limited to, computers, tablets, and other electronic communication devices. Inclusion of institution information on the website is voluntary, and institutions of higher education may elect to have institutional information included on the website by notifying the department.

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  
Missouri State University  
Missouri Western State University  
Northwest Missouri State University  
Office of the Secretary of State  
State Technical College of Missouri  
St. Louis Community College  
University of Central Missouri  
University of Missouri



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March 30, 2016

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