

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0736-02
Bill No.: SCS for HB 469
Subject: Education, Elementary and Secondary; Elementary and Secondary Education
Department
Type: Original
Date: April 28, 2017

Bill Summary: This proposal modifies provisions relating to high school graduation requirements.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	(Unknown greater than \$1,465,257)	(Unknown greater than \$1,433,253)	(Unknown greater than \$1,433,459)
Total Estimated Net Effect on General Revenue	(Unknown greater than \$1,465,257)	(Unknown greater than \$1,433,253)	(Unknown greater than \$1,433,459)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§161.094 Collection of Information by vendors

Officials at the **Department of Elementary and Secondary Education (DESE)** assume that currently, examination sites do not have access to applicant contact information. Contact information is collected by the vendor (ETS/HiSET) online when applicants register. It would require a significant change to the examination site's electronic system in order to create an option for applicants to volunteer their contact information at the examination site. This change has an unknown cost.

Manually collecting information at the examination site would require examination site expense to instruct applicants regarding the option to volunteer information and provide time for collecting signed paper forms. Applicants would then provide contact information on the paper consent forms. The consent forms would have to be mailed to DESE, and DESE staff would enter the information into a database. This would require postage and printing costs to cover any mailing fees to the examination site and .5 FTE administrative assistant.

Oversight notes this proposal would allow students to volunteer their contact information to DESE for the purposes of evaluating college and career placement. Oversight notes the contact information would need to be collected by the test sites and forwarded to DESE for recording. Oversight assumes this program would have a negative fiscal impact to DESE, which is unknown until DESE establishes the collection method.

§161.095 Subsidize the high school equivalency exam fee

Oversight notes this proposal assumes, subject to appropriations, DESE shall subsidize the high school equivalency exam fees for first time takers.

Officials at **DESE** assume this proposal would require one data specialist FTE to maintain the data in the system and \$1.425 million to cover the first time test taker fees. Estimate 15,000 test takers x \$95 (test fee) = \$1.425 million for first time test takers.

In response to a previous version, officials at the **Office of Administration's Information Technology Services Division (ITSD)** assumed this would require two new screens and modification to two existing screens and a new report. Estimations include project management and development of the new application. ITSD assumes this would take 497 hours at the \$75 hourly rate for a cost of \$40,257 in FY 2017.

ASSUMPTION (continued)

Oversight assumes that DESE would be able to absorb the duties of the FTE with existing resources. Once it is determined the amount of the appropriation and what type of computer tracking software is necessary to handle this proposal, then if DESE determines that additional FTE are necessary they could seek that FTE through the appropriation process.

§162.722 Student Acceleration

In response to similar legislation filed this year, HB 257, officials at the **Department of Elementary and Secondary Education** assumed there is no fiscal impact from this proposal.

In response to similar legislation filed this year, HB 257, officials at the **Bakersfield, Kirksville R-III, Parkway, Pettis County R-XII, Special School District of St. Louis, West Plains** and the **Wright City R-II** school districts each assumed there was no fiscal impact from this proposal to their respective district.

§170.018 Computer Science

In response to similar legislation filed this year, HB 948, officials at **DESE** assumed there was no fiscal impact from this proposal.

Oversight notes this proposal requires DESE to create a policy to allow one unit of academic credit with a district-approved computer science course to fulfill one mathematics or science unit required for graduation. Currently, a student needs 3 units of mathematics and 3 units of science in order to graduate. Currently, computer science courses are allowed to count as a practical art (of which a student needs 1 unit) or as an elective (of which a student needs 7 units).

Bill as a whole

Officials at the **Kansas City Public Schools (KCPS)** assume little or no unfunded mandates or negative fiscal impact in the text of the proposed legislation. However, KCPS cannot estimate actual impact until such time that DESE promulgates rules as to how they may implement the law.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
GENERAL REVENUE			
<u>Cost - DESE collection of contact info</u> (\$161.094.2)	(Unknown)	(Unknown)	(Unknown)
<u>Cost - DESE payment of exam fee</u> (\$161.095) (15,000 test takers x \$95)	(\$1,425,000)	(\$1,425,000)	(\$1,425,000)
<u>Cost - DESE computer upgrades and maintenance</u> (\$161.095)	<u>(\$40,257)</u>	<u>(\$8,253)</u>	<u>(\$8,459)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	(Unknown greater than <u>\$1,465,257</u>)	(Unknown greater than <u>\$1,433,253</u>)	(Unknown greater than <u>\$1,433,459</u>)
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<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

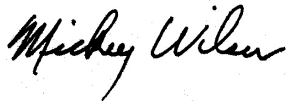
This proposal modifies the law relating to high school equivalency degree testing.

This proposal allows a student to fulfill one credit of computer science course for any mathematics or science unit for graduation.

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

Bakersfield School District
Department of Elementary and Secondary Education
Kansas City Public Schools
Kirksville R-III School District
Parkway School District
Pettis County R-XII School District
Special School District of St. Louis
West Plains School District
Wright City R-II School District



Mickey Wilson, CPA
Director
April 28, 2017

Ross Strobe
Assistant Director
April 28, 2017