

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4659-01
Bill No.: HB 1798
Subject: Children and Minors; Disabilities; Boards, Commissions, Committees, and Councils
Type: Original
Date: January 23, 2018

Bill Summary: This proposal establishes an advisory committee to monitor the tracking of language development milestones of children who are deaf or hard of hearing.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	(\$396,006)	(\$6,006)	(\$626,040)
Total Estimated Net Effect on General Revenue	(\$396,006)	(\$6,006)	(\$626,040)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Local Government	\$0	\$0	(Unknown could exceed \$100,000)

FISCAL ANALYSIS

ASSUMPTION

§161.413 Advisory Meetings

Officials from the **Department of Elementary and Secondary Education (DESE)** assume the advisory meetings will cost a total of \$12,012 spread over a two year period expiring July 1, 2020 (13 members x 21 days x \$44 per day for meals).

Oversight notes this proposal would become effective August 28, 2018 and the Advisory Committee on Language Assessment is to start meeting by September 1, 2018. Oversight notes the advisory committee is to have their report to the Legislature by January 31, 2020 and the committee is to terminate on July 1, 2020. Oversight will show the expenses of the advisory committee in FY 2019 and FY 2020 only.

§161.413.2 Tracking Language Development Milestones

Officials from **DESE** assume, currently, developmental milestones are only tracked with Early Childhood Outcomes for First Steps and Early Childhood Outcomes. There is nothing to track or collect milestones for 5 to 8 year olds. Based on the average cost of the last 2 web-based systems that have been built, the cost is \$390,000.

§161.413.3 Annual Language Assessments

Officials from **DESE** assume the annual language assessments for children birth to 3 years of age will cost \$490,800 ((300 kids x \$1,500 assessment = \$450,000) + (300 kids x \$136 provider rate = \$40,800)) and is provided through First Steps.

DESE assumes the annual language assessments for children 3 to 5 years of age will cost \$135,240 ((84 kids x \$1,500 assessment = \$126,000) + (84 kids x \$110 provider rate = \$9,240)) and is provided through ECSE (reimbursed by the state).

The total costs for the annual language assessments is estimated at \$626,040 occurring on or after July 1, 2020 and will recur moving forward after FY 2021.

Oversight inquired with DESE regarding the cost of assessments used in this year's fiscal note (\$110 and \$1,500), versus last year's fiscal note on SB 51 (\$102). DESE noted that it was determined that the early intervention assessment would not be sufficient to meet the requirements of the bill. Therefore, the estimate this year includes a pricier estimate. The provider rate is the cost to have a qualified provider administer the assessment.

ASSUMPTION (continued)

DESE assumes school districts will incur the cost for annual language assessments for children ages 5 to 8. DESE defers to local school districts.

Oversight notes First Steps is the Early Intervention System in Missouri for children from birth to age three who have delayed development or diagnosed conditions that are associated with developmental disabilities. Participation in the program is voluntary and offers services such as speech therapy, special instruction and assessment services. The First Steps program is governed through Part C of the federal Individual with Disabilities Education Act (IDEA). Oversight notes the program expenditures for First Steps totaled \$45 million in FY 2017 with \$27.8 million funded from general revenue and \$10.9 million from federal funds.

Oversight notes the Early Childhood Special Education (ECSE) program reimburses school districts for costs associated with providing special education services to children with disabilities, ages 3-5. Schools are reimbursed by the state for services provided. Federal funds from the special education grant (IDEA Part B) help supplement this grant. Per the FY 2018 budget request for DESE, Oversight notes program expenditures for ECSE totaled \$195 million in FY 2016 with \$25 million from federal funds and \$135 million from general revenue.

Officials from the **Summersville R2 School District** assume the proposal will have little to no fiscal impact on their organization.

Officials from the **Wellsville-Middletown R-1 School District** assume this proposal has the potential to have a negative fiscal impact on the district.

Oversight notes the language assessments are to begin on or after July 1, 2020 (FY 2021). Oversight will show those expenses beginning in FY 2021. Oversight will show a cost to the state of \$626,040 for annual language assessments and a cost to local school districts that is unknown but could exceed \$100,000.

Officials from the **Department of Health and Senior Services, Missouri House of Representatives** and the **Missouri Senate** assume the proposal will have no fiscal impact on their organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE			
<u>Cost</u> - DESE - advisory committee expenses	(\$6,006)	(\$6,006)	\$0
<u>Cost</u> - DESE - web based system to track development milestones	(\$390,000)	\$0	\$0
<u>Cost</u> - DESE - annual language assessments (ages 0 to 5)	<u>\$0</u>	<u>\$0</u>	<u>(\$626,040)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$396,006)</u>	<u>(\$6,006)</u>	<u>(\$626,040)</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2019 (10 Mo.)	 FY 2020	 FY 2021
LOCAL SCHOOL DISTRICTS			
<u>Cost</u> - annual language assessments (ages 5 to 8)	<u>\$0</u>	<u>\$0</u>	(Unknown could exceed \$100,000)
ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICTS	<u>\$0</u>	<u>\$0</u>	(Unknown could exceed \$100,000)

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This bill establishes an advisory committee, coordinated by the Missouri Commission for the Deaf and Hard of Hearing, to track the language development milestones of children who are deaf or hard of hearing from birth through age eight. The advisory committee shall consist of 13 members as specified in the bill and shall expire on July 1, 2020.

FISCAL DESCRIPTION (continued)

By January 31, 2020, the advisory committee shall develop specific action plans and make recommendations necessary to implement the assessment program.

Beginning July 1, 2020, an annual language assessment will be given to specified children through either certain early intervention services or the school district in which the child is enrolled. The Department of Elementary and Secondary Education, Department of Health and Senior Services, and the State School for the Deaf shall enter into interagency agreements with the commission to share statewide aggregated data. By January 31, 2020 and each January 31 thereafter, the commission shall publish a report that is specific to language and literacy developmental milestones of children who are deaf or hard of hearing for each age from birth through age eight.

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 Elementary and Secondary Education
Department of Health and Senior Services
Missouri House of Representatives
Missouri Senate
Summersville R2 School District

Ross Strobe



Acting Director
January 23, 2018