

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2367-01
Bill No.: HB 1121
Subject: Higher Education
Type: Original
Date: April 23, 2019

Bill Summary: This proposal allows Southeast Missouri State University to develop a statewide mission.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
College & University Funds (SEMO)	\$0 or (Unknown) to Unknown	\$0 or (Unknown) to Unknown	\$0 or (Unknown) to Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or (Unknown) to Unknown	\$0 or (Unknown) to Unknown	\$0 or (Unknown) to Unknown

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Higher Education** assume the proposal will have no fiscal impact on their organization.

Officials from **Southeast Missouri State University (SEMO)** assume there would be a potential positive impact of an undetermined amount on the University. The positive impact would be the result of revenue that may come due to any enrollment increases. SEMO is not seeking additional appropriations or state support in conjunction with this. This is consistent with the other schools that have a statewide mission in that the mere fact a school has a statewide mission does not mean additional state support follows to implement it. SEMO does not anticipate costs to implement the statewide mission beyond what SEMO already contributes from current resources to support marketing, recruitment, faculty development, program enhancement, etc.

Oversight assumes this proposal would exempt SEMO from having to submit an application for approval to the Coordinating Board for Higher Education in order to implement the statewide mission outlined in the proposal.

Oversight notes that SEMO stated the proposal would have a positive fiscal impact on their organization. However, Oversight assumes there could be costs associated with implementing the statewide mission. Therefore, Oversight will show a range of impact of \$0 (statewide mission not implemented) to an unknown increase in revenue from the expansion of its statewide mission to an unknown cost to implement the statewide mission. Oversight notes this proposal is permissive.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
COLLEGE & UNIVERSITY FUNDS			
Cost/Revenue - increase in potential cost and/or revenue for SEMO from expansion of statewide mission	\$0 or (Unknown) to <u>Unknown</u>	\$0 or (Unknown) to <u>Unknown</u>	\$0 or (Unknown) to <u>Unknown</u>
ESTIMATED NET EFFECT ON COLLEGE & UNIVERSITY FUNDS	\$0 or (Unknown) to <u>Unknown</u>	\$0 or (Unknown) to <u>Unknown</u>	\$0 or (Unknown) to <u>Unknown</u>

FISCAL IMPACT - Local Government

FY 2020
(10 Mo.)

FY 2021

FY 2022

\$0

\$0

\$0

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

Southeast Missouri State University shall have authority to develop a statewide mission in visual and performing arts, computer science, and cybersecurity.

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
Southeast Missouri State University



Kyle Rieman
Director
April 23, 2019

Ross Strobe
Assistant Director
April 23, 2019