

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4224-02
Bill No.: Perfected HCS for HB 1808
Subject: Education, Elementary and Secondary; Elementary and Secondary Education
Department
Type: Original
Date: March 12, 2020

Bill Summary: This proposal requires school districts to include instruction on the use and effects of vapor products.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
General Revenue	(\$33,000)		
Total Estimated Net Effect on General Revenue	(\$33,000)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
	\$0	\$0	\$0
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 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
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 2021	FY 2022	FY 2023
Local Government	\$0	\$0 to (Unknown)	\$0 to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assumed, as stated per statute, revising Health Learning Standards will require 33 people: 16 people in K-5 workgroup and 17 people in Grades 6-12 workgroup. Based on work recently completed in revising Fine Arts standards, DESE originally estimated their cost as \$100,000. With the House Amendments, DESE revised their cost estimate down to \$20,000 in FY 2021.

Oversight notes the amendment removes the requirement for three meetings, and that the cost for one meeting should be one third of the cost of three meetings. Oversight assumes at least one meeting in FY 21, and the note will show a cost of (\$33,000) to DESE.

Officials from the **Department of Higher Education and Workforce Development** assume this proposal has no fiscal impact on their agency.

In response to a previous version, HB 1808 (2020), officials from the **Smithville School District**, **North Kansas City Schools** and **Hurly R-1 School District** each assumed the proposal would have no fiscal impact on their respective organizations.

In response to a previous version, HB 1808 (2020), officials from the **Special School District of St. Louis** assumed this proposal would require the following:

- Revision of Health/PE curricula to include vaping - Districts typically have teachers serve on their curriculum committees. Many pay their teachers to do so. Our district pays \$29/hr for extra duty work. At a minimum this would add 1-2 hours of work. If we have two teachers on the curriculum team, that would be about \$100.
- Purchase of materials to support the instruction Finding materials for this would require time and money to purchase or obtain. Hard to assign a cost.
- Training for teachers to implement the instruction - training has financial costs and costs in lost instructional time -while in training, teachers are not in classrooms. Estimate one hour of training for each teacher - can't assign a monetary value to lost instructional time.
- There is a finite amount of instructional time in a school year - taking time to instruct students in vaping means that time will have to be taken from something else. Again, you can't assign a monetary value to lost instructional time, but it means students would miss something else.

ASSUMPTION (continued)

Oversight received a limited number of responses from school districts related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new note.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other school districts were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

Oversight notes one school district indicated there might be some additional costs for teaching materials and/or teacher training. Oversight will show a range of impact from \$0 (costs are immaterial) to an unknown cost for teaching materials and/or teacher training. Oversight will show a cost to school districts beginning in FY 2022 per subsection 6 which requires school districts to adopt or develop curriculum no later than one year after the development of the framework by the state board of education.

Rule Promulgation

In response to a previous version of this proposal, officials from the **Joint Committee on Administrative Rules** assumed this legislation is not anticipated to cause a fiscal impact to the Joint Committee on Administrative Rules beyond its current appropriation.

In response to a previous version of this proposal, officials from the **Secretary of State** assumed that many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office 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 Secretary of State's office for Administrative Rules is less than \$5,000. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize 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 our office can sustain with our core budget. Therefore, we reserve 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.

ASSUMPTION (continued)

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 require additional resources.

<u>FISCAL IMPACT - State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
GENERAL REVENUE			
Cost - DESE - revising Health Learning Standards - §160.514.8	<u>(\$33,000)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$33,000)</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
SCHOOL DISTRICTS			
Cost - teaching materials and/or teaching training - §160.514	<u>\$0</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>\$0</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</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 State Board of Education to amend the existing health or physical education academic performance standards, learning standards, and curriculum frameworks to include instruction on the use and effect of vapor products as defined in Section 407.925 RSMo.

FISCAL DESCRIPTION (continued)

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 & Workforce Development
Department of Elementary and Secondary Education
Joint Committee on Administrative Rules
Office of the Secretary of State
Smithville School District
North Kansas City Schools
Hurley R-1 School District
Special School District of St. Louis



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March 12, 2020



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March 12, 2020