

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0375H.02I  
Bill No.: HB 106  
Subject: Education, Elementary and Secondary; Department of Elementary and Secondary  
Education; Disabilities  
Type: Original  
Date: February 24, 2023

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Bill Summary: This proposal requires the Department of Elementary and Secondary Education to establish language developmental milestones for children who are deaf or hard of hearing.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
General Revenue	(\$717,919)	(\$588,843)	(\$561,072)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$717,919)</b>	<b>(\$588,843)</b>	<b>(\$561,072)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
<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.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
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 \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<b>Local Government</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from **Department of Elementary and Secondary Education (DESE)** estimate the requirements of the legislation would require one (1) new FTE Director at a salary of \$55,200. Costs would include benefits, equipment and expenses for the above FTE. Duties for the FTE would include, at a minimum, the following: research and select milestones, develop parent resources, select tools, create and provide training, support committee work, and produce an annual report. Additional administrative duties could be absorbed by current FTE at DESE. However, if multiple pieces of legislation are passed that require additional administrative support DESE will seek additional FTE through the appropriations process.

DESE assumes annual language assessments shall be given to each child who is deaf or hard of hearing and who is less than 13 years of age.

DESE assumes the annual language assessments for children birth to 3 years of age will cost \$226,512 ((104 kids x \$2,000 assessment = \$208,000) + (104 kids x \$178 provider rate = \$18,512)) and is provided through First Steps. The provider rate is the cost to have a qualified provider administer the assessment.

DESE assumes the annual language assessments for Early Childhood Special Education (ECSE) children 3 to 5 years of age will cost \$189,200 ((88 kids x \$2,000 assessment = \$176,000) + (88 kids x \$150 provider rate = \$13,200)) and is provided through ECSE (reimbursed by ECSE funds). The provider rate is the cost to have a qualified provider administer the assessment.

The total costs for the annual language assessments for children age birth to 5 is estimated at \$415,712 and will recur moving forward. DESE assumes school districts will incur the cost for annual language assessments for children ages 5-12. DESE defers to local school districts to estimate the cost of providing these assessments.

Counts from students reported with deaf or hard of hearing as a primary diagnosis. These counts are used in the cost calculation:

#### AGE Place – FY2021 Total

0-3 FS	104
3 ECSE	32
4 ECSE	42
5 ECSE	14
5 OSE	45
6 OSE	74

7 OSE	72
8 OSE	84
9 OSE	83
10 OSE	83
11 OSE	96
12 OSE	83

Note: Not included in the chart above are children (ages 3-5) under the generic reporting category of Young Child with Developmental Disability that could also have a type/degree of hearing loss and not have been coded under Hearing Impairment. Total children with a disability code of Young Child with Developmental Disability are 10,782. Prevalence rate of deaf/hard of hearing is 1 to 3 children per every 1,000.

Currently, developmental milestones are tracked with Early Childhood Outcomes for children with disabilities, including deaf/hard of hearing, who participate in the First Steps and/or Early Childhood Special Education (ECSE) programs. Depending on the Department selection of tools or assessments to assess the language and literacy development of children who are deaf or hard of hearing, system cost can be associated to align data fields and produce an annual report. These costs are included in the estimate from ITSD.

The development and appointment of members to an Advisory Committee to support the legislation will incur expenses until the identified tasks are complete. DESE assumes the Advisory Committee will meet four times per year for two years in order to meet the requirements of the legislation. Associated meeting costs include travel and meals and are estimated at \$30,496 per year.

Officials from the **Office of Administration – Information Technology** state it is assumed that every new IT project/system will be bid out because all ITSD resources are at full capacity. This project would have to be prioritized by DESE to be worked among DESE's other projects. ITSD assumes that this data is not provided to DESE today. There is also an assumption the level of annual reporting requested in this proposal is not done today - thus needing new development of data collection, processing, and securely housing of said data. This estimate is for the development of the data from districts into DESE through the MOSIS tool. This estimate includes an upgrade to the public MCDS systems for the public pieces the proposal asked to be made available from the data given to DESE from districts. Also, this estimate is for the development additional data intake and data processes to handle the reporting and aggregation to meet the proposal requirements as described.

ITSD estimates the combined projects would take 1900.80 hours at a contract rate of \$95 for a total cost of \$180,576 with on-going support costs.

**Oversight** will show the costs as estimated by DESE and OA-ITSD.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
<b>GENERAL REVENUE</b>			
<u>Costs</u> - DESE - §161.396			
Personnel Service	(\$46,000)	(\$56,304)	(\$57,430)
Fringe Benefits	(\$30,197)	(\$36,649)	(\$37,070)
Expense & Equipment	(\$14,938)	(\$12,662)	(\$12,916)
<u>Total Costs</u> – DESE	(\$91,135)	(\$105,616)	(\$107,416)
FTE Change	1 FTE	1 FTE	1 FTE
<u>Costs</u> - DESE/ITSD - §161.396	(\$180,576)	(\$37,019)	(\$37,944)
<u>Costs</u> - DESE - Language Assessments - §161.396	(\$415,712)	(\$415,712)	(\$415,712)
<u>Costs</u> - DESE - Advisory Committee Meeting Costs - §161.396	(\$30,496)	(\$30,496)	(\$0)
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(\$717,919)</u></b>	<b><u>(\$588,843)</u></b>	<b><u>(\$561,072)</u></b>
Estimated Net FTE Change on General Revenue	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
<b>SCHOOL DISTRICTS &amp; CHARTER SCHOOLS</b>			
<u>Costs</u> - Language Assessments - §161.396	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON SCHOOL DISTRICTS &amp; CHARTER SCHOOLS</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>

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 Elementary and Secondary Education (DESE) to develop language developmental milestones from existing norms for children from birth to 12 years of age that have been identified as deaf or hard of hearing. DESE must develop a parental resource for monitoring and tracking children through the milestone stages toward American Sign Language (ASL) and English literacy. The components of the parental resource are outlined in the bill and DESE is required to disseminate the resource to parents of deaf and hard of hearing children.

The bill further requires that DESE select and disseminate tools or assessments for educators to assess the language and literacy development of children and the bill provides specific guidance on the format, age range of development, and appropriateness for such tools or assessments. Children that are in an Individualized Education Plan (IEP) or an Individualized Family Service Plan (IFSP) that do not demonstrate progress in expressive and receptive language skills as measured by educator tools or assessments must have the lack of progress explained in detail with specific strategies, services, and programs recommended by the IEP or IFSP team.

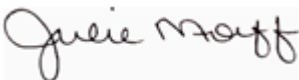
The bill provides that DESE shall establish an advisory committee of 16 members as outlined in the bill, before March 1, 2024, to solicit input from experts on the selection of the language development milestones as outlined in the bill. Before June 1, 2024 the committee will make recommendations to DESE, and DESE shall select the milestones before July 1, 2024.

Annually, starting with the 2024-25 school year DESE must produce an annual report that is specific to language and literacy development of children who are deaf or hard of hearing including, but not limited to, children who are deaf or hard of hearing and have other disabilities, from birth to 12 years of age relative to peers who are not deaf or hard of hearing.

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



Julie Morff  
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Ross Strobe  
Assistant Director  
February 24, 2023