

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0375H.03C
Bill No.: HCS for HB 106
Subject: Education, Elementary and Secondary; Department of Elementary and Secondary Education; Disabilities
Type: Original
Date: March 31, 2023

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

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

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
General Revenue	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

- ☒ 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.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Local Government	\$0	\$0	\$0

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 requires 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 from birth to 5 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.

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

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
GENERAL REVENUE			
<u>Costs - DESE - §161.396</u>			
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 – DESE</u>	(\$91,135)	(\$105,616)	(\$107,416)
FTE Change	1 FTE	1 FTE	1 FTE
<u>Costs - DESE/ITSD - §161.396</u>	(\$180,576)	(\$37,019)	(\$37,944)
<u>Costs - DESE - Language Assessments - §161.396</u>	(\$415,712)	(\$415,712)	(\$415,712)
<u>Costs - DESE - Advisory Committee Meeting Costs - §161.396</u>	(\$30,496)	(\$30,496)	(\$0)
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$717,919)</u>	<u>(\$588,843)</u>	<u>(\$561,072)</u>
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
	<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.

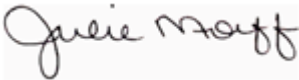
FISCAL DESCRIPTION

This bill requires the Department of Elementary and Secondary Education (DESE) to develop language developmental milestones from existing norms for children from birth to five years of age that have been identified as deaf or hard of hearing.

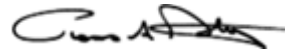
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education



Julie Morff
Director
March 31, 2023



Ross Strobe
Assistant Director
March 31, 2023