

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1885H.03C
Bill No.: HCS for HB 809
Subject: Education, Elementary and Secondary; Department of Elementary and Secondary
Education
Type: Original
Date: March 7, 2023

Bill Summary: This proposal requires the Department of Elementary and Secondary Education to develop a curriculum on personal finance to be used by school districts.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
General Revenue	(\$20,754)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$20,754)	\$0	\$0

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
Total Estimated Net Effect on FTE	0	0	0

- 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 to (Unknown)	\$0 to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Section 170.281 - Personal Finance Course

Officials from **Department of Elementary and Secondary Education (DESE)** estimate the total cost for workgroups to be \$20,754 (18 representatives for two meetings). Representatives include nine educators providing instruction in personal finance (one per RPDC region, representing rural, urban, suburban districts, CTE teachers, and social studies teachers); one from MCCTA (CTE professional organization); two each from DESE, the banking industry, entrepreneurs, and non-profits.

Oversight will show a one-time cost in FY 2024 to convene a work group to develop academic performance standards relating to a personal finance curriculum.

Oversight assumes this proposal requires each student after the ninth grade to complete a one-half unit of credit of personal finance before receiving a high school diploma. Oversight assumes there could be costs for school districts to offer a one-half unit of credit for personal finance. Oversight will show a range of impact of \$0 (minimal impact or can be absorbed) to an unknown cost.

Oversight did not receive any response 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 fiscal note.

Oversight only reflects the responses received from state agencies and political subdivisions; however, school districts were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
GENERAL REVENUE			
<u>Costs</u> - DESE - to convene a work group - §170.281	(\$20,754)	\$0	\$0
ESTIMATED NET EFFECT ON GENERAL REVENUE	(\$20,754)	\$0	\$0

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
SCHOOL DISTRICTS			
<u>Costs</u> - to offer a one-half unit of credit for personal finance - §170.281	\$0	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>\$0</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (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 Department of Elementary and Secondary Education to convene a work group to develop and recommend academic performance standards relating to the one-half unit of credit in personal finance required for high school graduation.

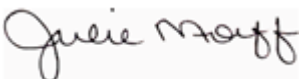
Every 7 years, the SBE shall review the academic performance standards to determine whether they should be updated to reflect trends and best practices in the current economy.

For the 2024-25 school year and all subsequent school years, each school district shall require that after the completion of grade nine each student satisfactorily completes such one-half unit of credit of personal finance before receiving a high school diploma or certificate of graduation

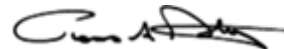
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education



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 Director
 March 7, 2023



Ross Strope
 Assistant Director
 March 7, 2023