

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4482H.01I
 Bill No.: HB 2250
 Subject: Education, Elementary and Secondary; Teachers; Department of Elementary and Secondary Education; Department of Higher Education and Workforce Development; Department of Commerce and Insurance
 Type: Original
 Date: April 9, 2024

Bill Summary: This proposal requires Career and Technical Education Programs to offer courses leading to insurance licensing and certification.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	Could exceed (\$116,376)	\$0	\$0
Total Estimated Net Effect on General Revenue	Could exceed (\$116,376)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
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 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
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 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assume Section 170.029.7 would require DESE to develop the performance standards, course competencies, and a written model curriculum framework related to insurance licensing and certification in Career and Technical Education (CTE). DESE must develop this in consultation with the Department of Higher Education and Workforce Development and the Department of Commerce and Insurance. If this is intended to be a stand-alone program of study (i.e. sequence of courses) within the existing finance cluster under the Business, Marketing, and Information Technology Education, then DESE would convene one work group with 17 participants (one CTE teacher from each of the nine RPDC regions, two postsecondary program members, two business/industry representatives, two counselors, and two administrators) over 6 days to develop the framework. DESE staff would also participate but is not included in expense estimates. Six meetings with 17 members equates to \$66,376.50. DESE estimates \$50,000 would be needed to change MOSIS to add course codes and track participation. DESE assumes this program would fall under the Business, Marketing, and Information Technology Education and would not require the creation of a new teacher certificate through the rule making process to teach these insurance licensing and certification courses. Therefore, no costs have been included for a new teacher certificate.

The unclear portion of this language is in line #58 in Section 170.029.7 as it relates to the use of the word "all." If "all" applies to all local education agencies (LEAs) and is intended to require the provision of this sequence of courses at each LEA, then the above estimate applies. If this language is intended to be applied to all seven CTE sections (Agriculture, Business, Marketing, Family Consumer Sciences and Human Services, Technology and Engineering, Health Sciences, Skilled Technical Sciences) as a new requirement within those sections and tailored to fit each of those sections, then DESE would need meeting costs for the areas at a total cost of \$464,635.50 (\$66,376.50 times seven (7) for each content area.) At least \$50,000 would be needed for MOSIS changes. It is unknown the exact amount needed for MOSIS changes given the clarification needed on the intent of the word "all." No cost would be needed for educator certification.

DESE assumes no on-going costs beyond the initial development and implementation.

Oversight notes that Section 170.029.7 states DESE shall develop performance standards, course competencies, and **a** written model curriculum framework related to insurance licensing and certification for all career and technical education programs. Oversight is uncertain if the intent of the legislation is to create one model curriculum for all career and technical programs or an individual model curriculum for each of the seven content areas of career and technical education programs. Therefore, Oversight will reflect the cost that could exceed costs estimated by DESE to convene **one (1)** work group.

Officials from the **Department of Commerce and Insurance** and the **Department of Higher Education and Workforce Development** both assume the proposal will have no fiscal impact on their organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Oversight assumes there could be costs to school districts that offer career and technical education programs that currently do not provide an insurance licensing and certification course. Oversight will show a range of impact of \$0 (no additional costs) to an unknown cost beginning in FY 2027.

Oversight did not receive any 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 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.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS 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 the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes 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 the office can sustain with its core budget. Therefore, the SOS reserves 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.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE			
<u>Costs</u> – DESE - to develop a model curriculum - §170.029.7	Could exceed (\$66,376)	\$0	\$0
<u>Costs</u> – DESE – MOSIS changes to add courses and track participation - §170.029.7	(\$50,000)	\$0	\$0
ESTIMATED NET EFFECT ON GENERAL REVENUE	Could exceed <u>(\$116,376)</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
SCHOOL DISTRICTS			
<u>Costs</u> - to implement insurance licensing and certification curriculum - §170.029.7	<u>\$0</u>	\$0	\$0 or (Unknown)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>\$0</u>	<u>\$0</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 develop performance standards, course competencies, and a written model curriculum framework related to insurance licensing and certification for all career and technical education programs by the 2025-26 school year and for all career and technical education programs to adopt the model curriculum or similar curriculum by the 2026-27 school year.

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

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SOURCES OF INFORMATION

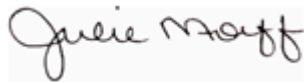
Department of Elementary and Secondary Education

Department of Higher Education and Workforce Development

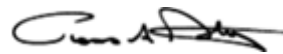
Department of Commerce and Insurance

Office of the Secretary of State

Joint Committee on Administrative Rules



Julie Morff
Director
April 9, 2024



Ross Strobe
Assistant Director
April 9, 2024