

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5424H.011
 Bill No.: HB 2612
 Subject: Education, Elementary and Secondary; Department of Elementary and Secondary
 Education; Science and Technology; Children and Minors
 Type: Original
 Date: February 12, 2024

Bill Summary: This proposal modifies duties of the Literacy Advisory Council to include reviews of the use of technology in schools.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	More or Less than (\$430,146)	More or Less than (\$449,298)	More or Less than (\$451,673)
Total Estimated Net Effect on General Revenue	More or Less than (\$430,146)	More or Less than (\$449,298)	More or Less than (\$451,673)

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
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 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from **Department of Elementary and Secondary Education (DESE)** assume this legislation amends the duties of the Literacy Council outlined in Section 186.080 to include new areas for their review related to the use and impact of technology in instruction. The items below are beyond the skill set, knowledge, and expertise of the current Literacy Council members and would require the use of consultants and surveys of students, parents, teachers, and other school personnel:

1. Section 186.080.5(1)(e) inclusion of artificial intelligence,
2. Section 186.080.5(1)(g) dehumanization of education and distortion of relationship between teachers and students,
3. Section 186.080.5(1)(h) isolation of students in a digital/virtual world that distances students from any form of social interaction, and
4. Section 186.080.5(1)(i) deepening of social inequalities between students who can possess technology and those who cannot.

DESE estimates the use of four unique consultants with expertise in the above areas to address these issues at a cost of \$50,000 each (\$200,000 total) to cover consultant time, research, travel, presentation, and reporting. DESE estimates the need to complete a survey of parents, students, teachers, and other school personnel for each area at a cost of \$15,000 each (\$60,000 total).

DESE requires one director at \$74,808 and related E&E of \$17,695 to organize meetings, track progress, coordinate activities, prepare consultant contracts, handle additional communication with council members, prepare meeting documentation, respond to council member inquiries/requests, prepare council's report to the state board of education, Senate, and House, etc.

Additionally, while DESE currently meets four times per year with the Literacy Council, this significant change in the Council's scope will necessitate an additional six meetings per year at a cost \$55,345. Section 186.080.5(3) requires updates at least every two years making the above cost an on-going cost.

Oversight is uncertain if DESE has included the full impact in the estimated response for consultants. Upon further inquiry, DESE was unable to provide the source of data (google search) for the cost of consultants and related expenses. For purposes of this fiscal note, Oversight will reflect DESE's assumption as more or less. The consultants' expense varies depending on area of expertise and agency used. However, should this assumption be incorrect, this would change the impact presented in this fiscal note.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE			
<u>Costs</u> – DESE – 4 expert consultants	More or Less than (\$200,000)	More or Less than (\$200,000)	More or Less than (\$200,000)
<u>Costs</u> – DESE – expenses for 6 additional Literacy Council meetings	(\$55,535)	(\$55,535)	(\$55,535)
<u>Costs</u> – DESE – conduct surveys	(\$60,000)	(\$60,000)	(\$60,000)
<u>Costs</u> - DESE			
Personnel Service	(\$62,340)	(\$76,304)	(\$77,830)
Fringe Benefits	(\$36,679)	(\$44,594)	(\$45,186)
Expense & Equipment	(\$15,592)	(\$12,864)	(\$13,122)
<u>Total Costs</u> – DESE	(\$114,611)	(\$133,762)	(\$136,138)
FTE Change	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE	More or Less than <u>(\$430,146)</u>	More or Less than <u>(\$449,298)</u>	More or Less than <u>(\$451,673)</u>
Net FTE Change for General Revenue	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<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.

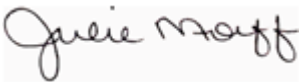
FISCAL DESCRIPTION

This proposal modifies duties of the Literacy Advisory Council to include reviews of the use of technology in schools.

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
February 12, 2024



Ross Strobe
Assistant Director
February 12, 2024