

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5424H.02C  
 Bill No.: HCS for HB 2612  
 Subject: Education, Elementary and Secondary; Department of Elementary and Secondary Education; Science and Technology; Children and Minors  
 Type: Original  
 Date: February 28, 2024

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

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	More or Less than (\$394,714)	More or Less than (\$413,865)	More or Less than (\$416,241)
<b>Total Estimated Net Effect on General Revenue</b>	<b>More or Less than (\$394,714)</b>	<b>More or Less than (\$413,865)</b>	<b>More or Less than (\$416,241)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
<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 2025</b>	<b>FY 2026</b>	<b>FY 2027</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 2025</b>	<b>FY 2026</b>	<b>FY 2027</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 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assume this legislation would create an Educational Technology Impact Advisory Council as outlined in Section 186.095 to include up to twenty-five members. This council would review areas related to the use and impact of technology in instruction. The items below are beyond the skill set, knowledge, and expertise of the potential members and would require the use of consultants and surveys of students, parents, teachers, and other school personnel:

1. Section 186.095.3(1)(e) inclusion of artificial intelligence,
2. Section 186.095.3(1)(g) dehumanization of education and distortion of relationship between teachers and students,
3. Section 186.095.3(1)(h) isolation of students in a digital/virtual world that distances students from any form of social interaction, and

DESE estimates the use of three unique consultants with expertise in the above areas to address these issues at a cost of \$50,000 each (\$150,000 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 (\$45,000 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. The council is required to meet four times per year, however, DESE estimates the significant scope of the council will necessitate between four and six meetings per year at a cost of \$85,103. Section 186.095.3(3) requires updates at least every two years making the above cost an on-going cost.

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**Oversight** notes the proposal states the council shall meet at least four times per year for a minimum of one hundred twenty minutes per meeting without cancellations to review best practices in the use of technology in instruction and related policy provisions. DESE assumes the council will necessitate between four and six meetings. Therefore, Oversight will reflect a cost that could be less than (council does not meet six times) the estimate provided by DESE (\$85,103 for 6 meetings) in in the fiscal note.

**Oversight** is uncertain if DESE has included the full impact in the estimated response for consultants. Upon further inquiry in the previous version, 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
<b>GENERAL REVENUE</b>			
<u>Costs</u> – DESE – 3 expert consultants	More or Less than (\$150,000)	More or Less than (\$150,000)	More or Less than (\$150,000)
<u>Costs</u> – DESE – meeting expenses for 6 meetings for 25 members	Less than (\$85,103)	Less than (\$85,103)	Less than (\$85,103)
<u>Costs</u> – DESE – conduct 3 surveys	(\$45,000)	(\$45,000)	(\$45,000)
<u>Costs - DESE</u>			
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 – DESE</u>	(\$114,611)	(\$133,762)	(\$136,138)
FTE Change	1 FTE	1 FTE	1 FTE
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b>More or Less than <u>(\$394,714)</u></b>	<b>More or Less than <u>(\$413,865)</u></b>	<b>More or Less than <u>(\$416,241)</u></b>
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
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

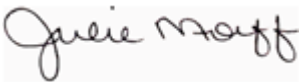
FISCAL DESCRIPTION

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

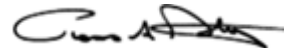
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education



Julie Morff  
Director  
February 28, 2024



Ross Strobe  
Assistant Director  
February 28, 2024