

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0629-02
Bill No.: SCS for HB 248
Subject: Education, Elementary and Secondary; Department of Elementary and Secondary Education
Type: Original
Date: April 18, 2017

Bill Summary: This proposal establishes a statewide STEM career awareness program.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	\$0	(Could exceed \$100,000)	(Could exceed \$100,000)
Total Estimated Net Effect on General Revenue	\$0	(Could exceed \$100,000)	(Could exceed \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
STEM Career Awareness*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

* Transfer in from General Revenue and costs net to zero.

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Elementary and Secondary Education (DESE)** assume the RFP would be issued for the amount available in the STEM Career Awareness Program Fund. Any cost to the state would be assumed by this fund. It is a supplementary online exploratory program for middle school students. DESE doesn't have anything comparable on which to base an estimate. Therefore, the cost is unknown; however it has the potential to exceed \$100,000.

Officials at the **Department of Economic Development** assume there is no fiscal impact from this proposal.

Oversight notes this proposal requires the Department of Elementary and Secondary Education to implement a statewide program to introduce students to a wide variety of STEM careers and technology through an online-based STEM curriculum.

Officials at the **Kansas City Public Schools** assume they cannot determine the impact until such time that Department of Elementary and Secondary Education promulgates rules for implementation regarding the proposal legislation.

Officials at the **Kirksville R-III** and the **West Plains** school districts each assume there is no fiscal impact from this proposal to their respective district.

In response to the previous version of this proposal, officials at the **Lonedell School District** assumed the impact would occur at the implementation level if the curriculum is so large that teaching it within classes that are already quite full with large units of study and a multitude of standards to cover. There isn't really room to mandate more standards or curriculum in most core classes. It may be that it isn't easily integrated not because of the alignment of the content but the size of the curriculum. The concepts are important and it seems to fit into career pathways which is guidance counseling but it would require us to hire a second counselor. If that is the case then an impact would be felt financially to hire someone. If it is kept succinct and flexible (not time bound and can be broken apart and implemented throughout the year) making integration in current classes possible then no impact would be felt.

In response to the previous version of this proposal, officials at the **Kearney School District** assumed that it does not appear this is mandatory. Therefore, it can likely be incorporated into existing science curriculum with little to no cost or fiscal impact to the district.

ASSUMPTION (continued)

Officials at the **Joint Committee on Administrative Rules** and the **Office of the State Treasurer** each assume there is no fiscal impact from this proposal to their respective organization.

Oversight notes this proposal creates the STEM Career Awareness Program Fund that is to have money appropriated to it. The Fund is to be used to create and maintain the STEM Career Awareness Program. Oversight assumes that all money will be used by the Fund in the year in which it is received.

Oversight notes this proposal is to begin with the 2018-2019 school year, which is fiscal year 2019.

In response to the previous version, officials at the **Parkway, Chillicothe R-II, Orrick** and the **Bakersfield R-IV** school districts each assumed there was no fiscal impact from this proposal to their respective district.

Officials from the **Office of the Secretary of State (SOS)** state 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 \$2,500. 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 the 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.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
GENERAL REVENUE			
<u>Transfer Out</u> - to the STEM Career Awareness Fund §620.2700.5	<u>\$0</u>	(Could exceed <u>\$100,000</u>)	(Could exceed <u>\$100,000</u>)
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0</u>	(Could exceed <u>\$100,000</u>)	(Could exceed <u>\$100,000</u>)
 STEM CAREER AWARENESS FUND			
<u>Transfer In</u> - from General Revenue	\$0	Could exceed \$100,000	Could exceed \$100,000
<u>Revenue</u> - gifts, bequests, donations	\$0	Could exceed \$100,000	Could exceed \$100,000
<u>Cost</u> - expenses of creating and running the STEM Career Awareness Program	<u>\$0</u>	(Could exceed <u>\$200,000</u>)	(Could exceed <u>\$200,000</u>)
ESTIMATED NET EFFECT ON STEM CAREER AWARENESS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<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.

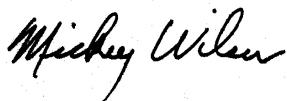
FISCAL DESCRIPTION

This bill requires the Department of Elementary and Secondary Education to establish a statewide, online program for middle schools designed to promote careers in science, technology, engineering, and mathematics.

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

Bakersfield R-IV School District
Chillicothe R-II School District
Department of Economic Development
Department of Elementary and Secondary Education
Joint Committee on Administrative Rules
Kansas City Public Schools
Kearney School District
Kirksville R-III School District
Lonedell School District
Office of the Secretary of State
Office of the State Treasurer
Orrick Schools
Parkway School District
West Plains School District



Mickey Wilson, CPA
Director
April 18, 2017

Ross Strobe
Assistant Director
April 18, 2017