

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0951-01
Bill No.: HB 253
Subject: Education, Elementary and Secondary; Boards, Commissions, Committees and Councils
Type: Original
Date: January 12, 2017

Bill Summary: This proposal creates the Career and Technical Education Certification Program.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	(\$64,474)	(\$75,607)	(\$76,274)
Total Estimated Net Effect on General Revenue	(\$64,474)	(\$75,607)	(\$76,274)

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

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
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 \$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

§170.028 Career and Technical Education Certification Program

Officials at the **Department of Elementary and Secondary Education (DESE)** assume this would require one Director position (\$60,696) to oversee this program.

Many bills considered by the General Assembly include provisions allowing or requiring additional FTE to implement the act. DESE is provided with core leased space to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for leased space for new FTE for this fiscal note is a small amount and DESE does not expect that additional leased space would be required. However, DESE 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 our office can sustain with current leased space. Therefore, DESE reserves the right to request funding for the cost of expanding FTE, including space, should the need arise based on a review of the bills signed by the governor.

Oversight has, for fiscal note purposes only, adjusted the salary and benefits of the Director position (from \$60,696 to \$49,056) to correspond with the salaries posted by DESE for a current job vacancies for a similar positions. Oversight assumes DESE has a core budget for travel expenses, so those costs have also not been included in the estimate of expenses.

In response to similar legislation filed this year, SB 44, officials at the **Warren County R-III School District** assumed it is unclear if the proposed legislation would have a fiscal impact on the district with relation to the phrase, "Cooperate with local school districts to ensure that the curriculum for the career and technical education certification program...will lead to industry-recognized certificates or credentials." If this will require changes in curriculum for the school district, then there would be some fiscal impact. It is indeterminate at this time.

Officials at the **Kirksville R-III School District** assume a slight negative impact.

Officials at the **Chillicothe R-II, Kansas City, Pettis County R-XII, West Plains** and the **Wright City R-II** school districts each assume there is no fiscal impact from this proposal.

Oversight notes the Career and Technical Education delivery system consists of 444 comprehensive high schools, 57 area career centers, the State Technical College of Missouri, 12 community colleges, and 7 four year institutions.

ASSUMPTION (continued)

§178.550 Career and Technical Advisory Council

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

Bill as a Whole

Officials at the following school districts: Arcadia Valley R-2, Avilla R-13, Bakersfield, Belton, Benton County R-2, Bismark R-5, Bloomfield R-14, Blue Springs, Bolivar R-I, Bowling Green R-1, Branson, Brentwood, Bronaugh R-7, Campbell R-2, Carrollton R-7, Caruthersville, Central R-III, Chilhowee R-4, Clarkton C-4, Cole R-I, Columbia, Concordia R-2, Crawford County R-1, Crocker R-II, Delta C-7, East Carter R-2, Eldon R-I, Everton R-III, Fair Play, Fayette R-3, Forsyth R-3, Fox C-6, Fredericktown R-I, Fulton, Grain Valley, Hancock Place, Hannibal, Harrisonburg R-8, Harrisonville, Hillsboro R-3, Hollister R-5, Humansville R-4, Hurley R-1, Independence, Jefferson City, Kearney R-1, Kennett #39, King City R-1, Kingston 42, Kirbyville R-VI, Lee Summit, Leeton R-10, Lewis County C-1, Lincoln R-II, Lindbergh, Lonedell R-14, Macon County R-1, Malta Bend, Mehville, Meramec Valley R-3, Mexico, Middle Grove C-1, Midway R-1, Milan C-2, Moberly, Monroe City R-I, Morgan County R-2, New Haven, Nixa, North Kansas City, North St. Francois Co. R-1, Northeast Nodaway R-5, Odessa R-VII, Oregon-Howell R-III, Orrick R-11, Osborn R-0, Parkway, Pattonville, Pierce City, Plato R-5, Princeton R-5, Raymore-Peculiar R-III, Raytown, Reeds Springs R-IV, Renick R-5, Republic R-III, Richards R-V, Richland R-1, Richmond R-XVI, Riverview Gardens, Salisbury R-4, Sarcoxie R-2, Scotland County R-I, Sedalia, Seymour R-2, Shell Knob #78, Sikeston, Silex, Smithville R-2, Special School District of St. Louis County, Spickard R-II, Springfield, St Joseph, St Louis, St. Charles, St. Elizabeth R-4, Sullivan, Valley R-6, Verona R-7, Warrensburg R-6, Waynesville, Webster Groves, Wentzville, and the Westview C-6 school districts did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
GENERAL REVENUE			
<u>Cost - DESE (\$170.028)</u>			
Personal Service	(\$40,880)	(\$49,547)	(\$50,042)
Fringe Benefits	(\$20,764)	(\$25,063)	(\$25,211)
Equipment and Expense	(\$2,830)	(\$997)	(\$1,021)
<u>Total Cost - DESE</u>	<u>(\$64,474)</u>	<u>(\$75,607)</u>	<u>(\$76,274)</u>
FTE Change - DESE	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$64,474)</u>	<u>(\$75,607)</u>	<u>(\$76,274)</u>
Estimated Net FTE Change on General Revenue	1 FTE	1 FTE	1 FTE
<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 creates the Career and Technical Education Certification (CTEC) Program.

The State Board of Education must establish a procedure by which a student may receive credit toward graduation for completing a CTEC offering. The offerings include at least the following: industry certification, a state-issued professional license, an occupational competency assessment, or a CTEC exam, as described in the bill. The Career and Technical Education Advisory Council must annually approve and publish a list of such CTEC offerings. During the approval process the Council will ensure the curriculum and programs of study developed by local districts for the career and technical education certificate are compatible with the CTEC offerings. The Council will also develop an application form that may be used by the business and industry communities, local school districts, or institutions of higher education to include

FISCAL DESCRIPTION (continued)

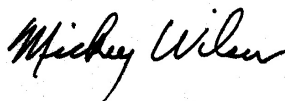
new CTEC offerings.

This bill also modifies the composition of the Career and Technical Education Advisory Council by adding the director of the Department of Economic Development, or his or her designee. This bill also requires the Council to encourage local employers to participate in college and career fairs hosted by local school districts, and to cooperate with local school districts to ensure the curriculum for the career and technical education certificate includes programs of study and course offerings that will lead to industry-recognized certificates or credentials.

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

Chillicothe R-II School District
Department of Economic Development
Department of Elementary and Secondary Education
Kansas City Public Schools
Kirksville R-III School District
Pettis County R-XII School District
Warren County R-III School District
West Plains School District
Wright City R-II School District



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January 12, 2017

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