

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1541-02  
Bill No.: HB 953  
Subject: Education, Elementary and Secondary; Higher Education; Employees - Employers  
Type: Original  
Date: March 14, 2017

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Bill Summary: This proposal requires high schools and public institutions of higher education to provide information related to careers and salaries to students.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	(\$48,796)	(\$59,038)	(\$59,524)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$48,796)</b>	<b>(\$59,038)</b>	<b>(\$59,524)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<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.  
This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</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 2018</b>	<b>FY 2019</b>	<b>FY 2020</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 \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Local Government</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Department of Elementary and Secondary Education (DESE)** assume that most of the information being suggested by this proposal is already available through Missouri Connections, which is currently offered to all school districts at no charge. Some enhancements to the existing system will likely be necessary to include additional information and links to other resources; however, costs to accomplish these enhancements will likely be insignificant.

Officials at the **Department of Higher Education (DHE)** assume identifying fields of study that has a critical need or shortage of personnel can be done for minimal cost, either through a work group or through partnership with other agencies.

That being said, we feel it extremely likely that institutions would ask us to help them compile wage and salary data to satisfy the requirements of §173.1004.2(2)-(4), as we have access to that information through an agreement with Department of Labor and Industrial Relations. This would be extremely time-consuming, as there are roughly 3,000 degree programs in the state. We would need 1 additional FTE at the Research Associate II level in order to compile that information for the institutions, verify its accuracy, and send it to the appropriate institutions each year.

Officials at the **University of Missouri** assume a negative impact in excess of \$200,000 on the University System.

Officials at the **State Technology College of Missouri** assume an unknown impact from additional staff that may be necessary to organize data, maintain it and report it.

Officials at the **Missouri State University** assume a negative unknown amount.

Officials at the **Northwest Missouri State University** and the **University of Central Missouri** assume there is no fiscal impact from this proposal.

Officials at the **West Plains School District** assume a potential cost of \$30,000 to access and distribute this information.

Officials at the **Everton School District** assume \$15,000 in personnel and materials.

Officials at the **East Carter County R-II School District** assume this has unknown labor hours for assembling the information and distribution.

ASSUMPTION (continued)

Officials at the **Milan C-2 School District** assume this would require a huge time commitment, which in turns leads to monetary commitment to gather the information. The exact impact is unknown.

Officials at the **Kirksville R-III School District** assume no fiscal impact as the information is already provided in the personal finance course.

Officials at the **Kearney School District** assume no impact as they already provide the information.

**Oversight** notes this proposal in §167.902, requires school districts to provide students information on career and college opportunities. Oversight will show an (Unknown) cost to school districts for the gathering and distribution of this information to all students.

**Oversight** notes this proposal in §173.1004, requires all the public higher education institutions to place degree and career information on their website. Oversight for fiscal note purposes, will assume that the Department of Higher Education will gather and supply the information to the institutions. Oversight assumes the institutions will be able to post the information using existing resources.

Officials at the following colleges: Crowder, East Central Community College, Harris-Stowe, Jefferson College, Lincoln University, Metropolitan Community College, Moberly Area Community College, Missouri Southern State University, Missouri Western State University, Southeast Missouri State University, State Fair Community College, St. Charles Community College, St. Louis Community College, Three Rivers Community College and the Truman State University did not respond to **Oversight's** request for fiscal impact.

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, Chillicothe R-II, Clarkton C-4, Cole R-I, Columbia, Concordia R-2, Crawford County R-1, Crocker R-II, Delta C-7, Eldon R-I, 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, Kansas City, 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, Moberly, Monroe City R-I, Morgan County R-2, New Haven, Nixa, North Kansas City,

ASSUMPTION (continued)

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, Pettis County R-12, 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, Warren County R-3, Warrensburg R-6, Waynesville, Webster Groves, Wentzville, Westview C-6 and the Wright City R-2 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
<b>GENERAL REVENUE FUND</b>			
<u>Cost - DHE</u>			
Personal Service	(\$30,980)	(\$37,548)	(\$37,923)
Fringe Benefits	(\$17,816)	(\$21,490)	(\$21,601)
<b>Total Cost - DHE</b>	<b><u>(\$48,796)</u></b>	<b><u>(\$59,038)</u></b>	<b><u>(\$59,524)</u></b>
FTE Change - DHE	1 FTE	1 FTE	1 FTE
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>(\$48,796)</u></b>	<b><u>(\$59,038)</u></b>	<b><u>(\$59,524)</u></b>
Estimated Net FTE Change on General Revenue Fund	1 FTE	1 FTE	1 FTE
<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
<b>LOCAL SCHOOL DISTRICT FUNDS</b>			
<u>Cost - gathering and distribution of career and college information to all students</u>			
	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICTS</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</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 bill requires each high school to annually provide its students with certain specified information including career trends, salary information, and the skills and traits necessary to succeed in various careers.

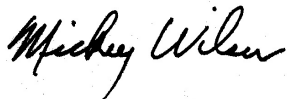
The Coordinating Board for Higher Education shall annually identify fields of study in which a critical need or shortage of trained personnel exists. The State Board of Education shall annually provide such information to local school districts to support high school students in their career pathway decisions.

Each public institution of higher education shall publish for each degree offering certain specified information in its public website or course catalog. The information includes employment opportunities for people who have earned the degree, the number of people who earned the degree who were employed within one year of graduation, the average income and salary ranges for people employed in a field closely related to the degree, and the estimated cost of the degree including housing and course material costs.

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  
Department of Higher Education  
East Carter County R-II School District  
Everton School District  
Kearney School District  
Kirksville R-III School District  
Milan C-2 School District  
Missouri State University  
Northwest Missouri State University  
State Technical College of Missouri  
University of Central Missouri  
University of Missouri  
West Plains School District



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March 14, 2017

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