

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1248H.01I
Bill No.: HB 483
Subject: Department of Elementary and Secondary Education
Type: Original
Date: January 17, 2023

Bill Summary: This proposal establishes the Extended Learning Opportunities Act.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
General Revenue	(\$35,000)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$35,000)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
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 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on 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 2024	FY 2025	FY 2026
Local Government	\$0	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Section 160.565 Extended Learning Opportunities

Officials from **Department of Elementary and Secondary Education (DESE)** state this section establishes the Extended Learning Opportunities Act. If passed, Office of College and Career Readiness (OCCR) staff will be required to assist students and parents in completing an enrollment process, developing a partnership agreement form for each vendor that parents or students must sign, assisting in training / professional development for local education agency (LEA) staff regarding these forms, assuring each student and one parent/guardian signs the form, determining if the parent has parental rights in place to sign such a form, etc. OCCR estimates at least one Director FTE at approximately \$68,808 annual salary (O03310) with an initial E&E cost of \$17,007 would be required to comply with these requirements.

Section 160.565 also requires OCCR staff to develop statewide policy, including potentially creating a guidance document (to address the above-mentioned requirements as well as those listed in this paragraph), criteria for provider approval, basis for credit acceptance, an application process, etc. Consistent with the FY22 response to a similar bill, DESE estimated an additional fiscal impact of at least \$35,000 for policy development and modifications to the data collection system. OCCR supports this estimate for this 2023 bill.

In response to a similar provision in HCS for SB 323 (2021), officials from the **Sikeston R-6 School District** assumed the impact would be related to developing new learning opportunities for students with new partnerships.

In response to similar proposal, SCS HB 1856 (2022), officials from the **Gordon Parks Elementary Charter School** assumed the proposal would have no fiscal impact on their organization.

Oversight assumes this section requires, beginning with the 2024-2025 school year, each local school board shall routinely inform students and their parents of the ability to earn credit for participating in extended learning opportunities.

Oversight assumes there could be costs for DESE to develop a form, policy and/or approval process for entities offering extended learning opportunities. Oversight will show the costs for policy development and modifications to the data collections system.

Oversight assumes this proposal does not appear to require that DESE assist students and parents who want to participate in extended learning opportunities. Therefore, Oversight will not show the costs for the FTE as estimated by DESE.

Oversight assumes there could be costs for school districts to inform and assist students wanting to participate in extended learning opportunities. Oversight will show an unknown costs to school districts.

Oversight received a limited number of responses from school districts related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other school districts were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note 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 \$5,000. 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 its 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.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
GENERAL REVENUE			
<u>Costs</u> - DESE - policy development and modifications to data collection system - §160.565	(\$35,000)	\$0	\$0
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$35,000)</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
SCHOOL DISTRICTS & CHARTER SCHOOLS			
<u>Costs</u> - inform and assist students/parents who want to participate in extended learning opportunities - §160.565	0	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS & CHARTER SCHOOLS	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</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 establishes the "Extended Learning Opportunities Act". The bill defines "extended learning opportunity" as an out of classroom learning experience as approved by the State Board of Education (SBE), school board, or a charter school and that provides a student with:

- 1) Enrichment opportunities;
- 2) Career readiness or employability skills opportunities including, but not limited to, internships; pre-apprenticeships; or apprenticeships; or
- 3) Any other approved educational opportunities.

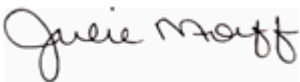
The bill requires that by the 2023-24 school year local school boards must inform students of the opportunity to participate and earn credit for extended learning opportunities. Each local school

board must adopt a policy and local school districts shall distribute and implement extended learning policies that include an application process, a list of eligible entities offering extended learning opportunities, the process for receiving credit, and criteria for approval and completion.

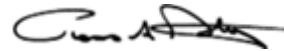
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Office of the Secretary of State
Joint Committee on Administrative Rules
Sikeston R-6 School District
Gordon Parks Elementary Charter School



Julie Morff
Director
January 17, 2023



Ross Strobe
Assistant Director
January 17, 2023