

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1878H.011
 Bill No.: HB 908
 Subject: Education, Higher; Governor and Lieutenant Governor
 Type: Original
 Date: February 19, 2021

Bill Summary: This proposal allows Northwest Missouri State University to develop a statewide mission.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
University Funds (Northwest)	\$0 or (Unknown) to Unknown	\$0 or (Unknown) to Unknown	\$0 or (Unknown) to Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or (Unknown) to Unknown	\$0 or (Unknown) to Unknown	\$0 or (Unknown) to Unknown

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on FTE	0	0	0

- 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 2022	FY 2023	FY 2024
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Higher Education and Workforce Development** and **Northwest Missouri State University** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes other institutions have indicated a potential positive impact from increased enrollment resulting from a statewide mission designation. In addition, Oversight assumes there could be costs associated with implementing a statewide mission.

Per section 173.030, “Institutions which serve or seek to serve a statewide mission shall be judged to have met the prerequisites for such a mission when they demonstrate to the coordinating board that they have met the criteria described in this subdivision. As a component of this process, each institution shall prepare, in a manner prescribed by the coordinating board, a mission implementation plan for the coordinating board’s consideration and approval.”

Oversight will show a range of impact of \$0 (statewide mission not implemented or already implemented) to an unknown increase in revenue from its statewide mission to an unknown cost to implement the statewide mission.

Oversight notes the tuition and required fees for Northwest are \$10,625 for FY 2021 and the full-time equivalent enrollment was 7,262 in 2020. If enrollment at Northwest increased by 1% or 73 students, the gain in revenue is estimated at \$775,625 (\$10,625 * 73).

In order to accommodate an increase in enrollment, this could result in the need to hire additional staff. Oversight notes the national median salary for a Postsecondary Teacher is \$79,540 per the BLS Occupational Outlook Handbook. Oversight notes the student to teacher ratio at Northwest is 20:1; therefore, Oversight assumes it is unlikely expenditures would exceed \$250,000.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
UNIVERSITY FUNDS			
<u>Cost/Revenue</u> - increase in potential cost and/or revenue for Northwest from expansion of statewide mission	\$0 or (Unknown) to <u>Unknown</u>	\$0 or (Unknown) to <u>Unknown</u>	\$0 or (Unknown) to <u>Unknown</u>
ESTIMATED NET EFFECT ON UNIVERSITY FUNDS	\$0 or (Unknown) to <u>Unknown</u>	\$0 or (Unknown) to <u>Unknown</u>	\$0 or (Unknown) to <u>Unknown</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<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.

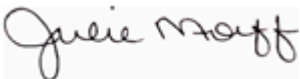
FISCAL DESCRIPTION

This bill designates Northwest Missouri State University as an institution with a statewide mission in educator preparation, emergency and disaster management, and profession-based learning. Current law provides that public institutions of higher education charged with a statewide mission shall be governed by a board of governors as described in current law. Under this bill, Northwest Missouri State University shall continue to be governed by its board of regents.

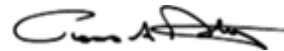
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Higher Education and Workforce Development
Northwest Missouri State University



Julie Morff
Director
February 19, 2021



Ross Strobe
Assistant Director
February 19, 2021