

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4799-02
Bill No.: HCS for HB 1613
Subject: Education, Elementary and Secondary
Type: Original
Date: February 16, 2016

Bill Summary: This proposal requires school districts to develop a system for identifying students who are at risk of not being ready for college-level work or entry-level career positions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	(\$56,715)	(\$22,129)	\$0
Total Estimated Net Effect on General Revenue	(\$56,715)	(\$22,129)	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	1 FTE	1 FTE	0 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	0 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 2017	FY 2018	FY 2019
Local Government	(Unknown over \$100,000)	(Unknown over \$100,000)	(Unknown over \$100,000)

FISCAL ANALYSIS

ASSUMPTION

Oversight notes in §167.903, a student with help from the school guidance counselor can create a personal plan of study to help the student reach their goal of postsecondary education or career readiness. Department of Elementary and Secondary Education (DESE) is to create a process to recognize a school district's program.

Oversight notes in §167.905, each school district must develop a policy and implement a measurable system for identifying students at risk of not being ready for college or careers. This policy and system must be in place by July 1, 2018. **Oversight** notes that school districts will have costs associated with the implementation of the policies required under this proposal. Oversight will show the impact to all school districts as Unknown over \$100,000.

Officials at the **DESE** assume this will require one FTE Supervisor (\$47,472) to review all policies and procedures related to remediation across all offices and to prepare the report for the joint committee on education as required in §173.750.3. The Supervisor would only be needed in FY 2017 and four months of FY 2018. DESE defers to school districts for costs they may have with implementing this proposal.

Oversight has, for fiscal note purposes only, adjusted the salary and benefits of the Supervisor position to correspond with the salaries posted by DESE for current job vacancies for similar positions.

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

In response to the previous version, officials at the **Brentwood School District** assumed a cost of \$35,000 for additional staff and \$2,625 a year for student assessments.

In response to the previous version, officials at the **Cassville School District** assumed a cost of \$12,500.

In response to the previous version, officials at the **Everton School District** assumed an impact of \$35,000.

In response to the previous version, officials at the **Bloomfield, Kennett** and the **Kirbyville** school districts each assumed this will have an impact but the impact cannot be determined at this time.

ASSUMPTION (continued)

In response to the previous version, officials at the **Hawthorn Leadership** assumed an impact of \$20,00 for additional staff.

In response to the previous version, officials at the **Kansas City School District** assumed no impact prior to 2018. Beginning in 2018 and each subsequent year a minimal impact.

In response to the previous version, officials at the **Kearney School District** assumed \$200,000 in additional costs for counseling and administration of this program.

Officials at the **New Haven School District** assume an additional half FTE per building for a cost of \$25,000.

Officials at the **Pettis County R-XII School District** assumed an impact of \$10,000 for additional counseling.

Officials at the **Sarcoxie School District** assumed a cost of \$55,000 for additional staff at the middle school.

In response to the previous version, officials at the **Shelby County R-IV School District** assumed a cost of \$60,000 for additional staff.

In response to the previous version, officials at the **Smithville School District** assumed the financial impact for this bill has been subdivided by section. Section 2 requires that a "measurable" system for identifying students in grade 9 that are not on-track for college & career readiness. Several data points are suggested, none of which really provide information on the skills required for college & career readiness. An assessment would need to be purchased to adequately do that. In addition, that assessment would need to be used in grades 10-12 to monitor progress toward college & career readiness.

Approximate cost per student for assessment = \$12

Approximate total expense for Smithville = \$2,400 for year 1; \$4,800 for year 2; \$7,200 for year 3; \$9,600 for year 4 and each year thereafter

The expense for establishing criteria to identify those who are not college & career ready would be based upon the time spent for employees to establish the criteria which would depend on the salaries of the individuals involved. Estimated expense for setting criteria = \$1,000-\$2,000

ASSUMPTION (continued)

Section 4 requires remediation for students which for us would mean additional personnel.
Estimated expense (average district teacher salary used for this estimate) = \$50,000-\$100,000

In response to the previous version, officials at the **St. Charles School District** assumed a cost of \$160,000.

In response to the previous version, officials at the **St. Elizabeth School District** assumed \$40,000 for new staff.

In response to the previous version, officials at the **Warren County R-III School District** assumed the impact cannot be determined. It may take significant effort and resources to develop and implement the system for identifying students not ready for college or career positions.

Officials at the **Webster Groves School District** assume \$10,000 for initial training.

Officials at the **West Plains School District** assume a cost of \$50,000-\$135,000 annually for additional staffing.

Officials at the **Carondelet Leadership Academy, Macon County R-IV, Malta Bend, Middle Grove, Seymour R-II** and the **Wright City R-II** school districts each assume there is no fiscal impact from this proposal to their respective districts.

In response to the previous version, officials at the, **Fredericktown R-I, Mehlville, Parkway, Riverview Gardens** and the **Shell Knob** school districts each assumed there was no fiscal impact from this proposal to their respective districts.

Officials at the following school districts: Arcadia Valley R-2, Aurora R-8, Avilla R-13, Bakersfield, Belton, Benton County R-2, Bismark R-5, Blue Springs, Bolivar R-I, Bowling Green R-1, Branson, 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, East Carter R-2, East Newton R-6, Eldon R-I, Fair Grove, Fair Play, Fayette R-3, Forsyth R-3, Fox C-6, 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, King City R-1, Kingston 42, Kirksville, Laclede County R-1, Laredo R-7, Lee Summit, Leeton R-10, Lewis County C-1, Lindbergh, Lonedell R-14, Macon County R-1, Meramec Valley R-3, Mexico, Midway R-1, Milan C-2, Moberly, Monroe City R-I, Morgan County R-2, Nixa, North St. Francois Co. R-1, Northeast Nodaway R-5, Odessa R-VII, Oregon-Howell R-III, Orrick R-11, Osage County R-II, Osborn R-O, Pattonville, Pierce City,

ASSUMPTION (continued)

Plato R-5, Princeton R-5, Raymore-Peculiar R-III, Raytown, Reeds Springs R-IV, Renick R-5, Richland R-1, Salisbury R-4, Scotland County R-I, Sedalia, Sikeston, Silex, Slater, Special School District of St. Louis County, Spickard R-II, Springfield, St Joseph, St Louis, Sullivan, Tipton R-6, Valley R-6, Verona R-7, Warrensburg R-6 Westview C-6 school districts did not respond to **Oversight's** request for fiscal impact.

Officials at the following charter schools: Carondelet Leadership Academy, Eagle College Prep, Frontier Schools, Hawthorne, and the KIPP Endeavor Academy of Kansas City did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
GENERAL REVENUE			
<u>Cost - DESE</u>			
Personal Service	(\$31,640)	(\$12,783)	\$0
Fringe Benefits	(\$17,054)	(\$6,856)	\$0
Equipment and Expense	(\$8,021)	(\$2,490)	\$0
Total Cost - DESE	<u>(\$56,715)</u>	<u>(\$22,129)</u>	<u>\$0</u>
FTE Change	1 FTE	1 FTE	0 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$56,715)</u>	<u>(\$22,129)</u>	<u>\$0</u>
Estimated Net FTE Change on General Revenue	1 FTE	1 FTE	0 FTE
<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
SCHOOL DISTRICT FUNDS			
<u>Cost - School Districts -implementing plan to identify at risk kids</u>	(Unknown over <u>\$100,000</u>)	(Unknown over <u>\$100,000</u>)	(Unknown over <u>\$100,000</u>)
ESTIMATED NET EFFECT ON SCHOOL DISTRICT FUNDS	(Unknown over <u>\$100,000</u>)	(Unknown over <u>\$100,000</u>)	(Unknown over <u>\$100,000</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 allows each student during his or her seventh grade year at a public school or charter school to develop a personal plan of study with help from the school's guidance counselors that must be reviewed at least annually by school personnel and the student's parent or guardian and updated based on the needs of the student and requires, no later than January 1, 2017, the DESE to develop a process for recognition of a school district's program for developing personalized plans of study for all students entering ninth grade.

The bill requires each school district to develop a policy and implement a system by July 1, 2018, for identifying students in their ninth grade year who are at risk of not being ready for college-level work or for entry-level career positions. By January 1, 2017, DESE must develop a process for recognition of a school district's program of academic and career counseling for these specified students.

The bill repeals the provision that prohibits the use of the reported remediation rate for any other purpose and requires:

- (1) DESE to conduct a review of its policies and procedures relating to best practices in remediation as identified by the Department of Higher Education (DHE) to ensure that districts are informed about and held accountable for implementing the best practices. DESE must present its results to the Joint Committee on Education by October 31, 2017; and
- (2) DHE, in consultation with DESE to develop a report that analyzes the results of the remediation rate report relative to student performance on the statewide assessment July 1, 2019.

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

Bloomfield School District
Brentwood School District
Carondelet Leadership Academy
Cassville R-IV School District
Department of Elementary and Secondary Education

SOURCES OF INFORMATION (continued)

Department of Higher Education
Everton R-III School District
Fredericktown R-I School District
Hawthorn Leadership Academy
Kansas City Public Schools
Kearney R-I School District
Kennett School District
Kirbyville School District
Macon County R-IV School District
Malta Bend School District
Mehlville School District
Middle Grove C-1 School District
New Haven School District
Parkway School District
Pettis County R-XII School District
Riverview Gardens School District
Sarcoxie R-II School District
Seymour R-II School District
Shelby County R-IV School District
Shell Knob School District
Smithville R-II School District
St. Charles School District
St. Elizabeth School District
Warren County R-II School District
Webster Groves School District
West Plains School District
Wright City R-II School District



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