

**LEGISLATIVE FISCAL OFFICE**

**Fiscal Note**

**ACT 257**

Fiscal Note On: **SB 316** SLS 09RS 446

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:



<b>Date:</b> July 22, 2009	2:09 PM	<b>Author:</b> NEVERS
<b>Dept./Agy.:</b> Education		<b>Analyst:</b> Mary Kathryn Drago
<b>Subject:</b> Student College and Career Readiness Act		

CURRICULA EN INCREASE GF EX See Note Page 1 of 1

Provides for comprehensive approach to improve graduation rates and ensure college and career readiness for high school students. (gov siq)

The proposed legislation repeals sections of the current High School Career Option Law and incorporates the core purposes in the proposed legislation. The legislation requires the Board of Elementary and Secondary Education (BESE) and the Department of Education (DOE) to provide programs to improve high school graduation rates and prepare students for postsecondary education and careers. BESE and DOE are required to align middle grade curriculum with high school readiness and redesign 8th and 9th grade curriculum. DOE is required to provide professional development for principals and teachers to successfully keep students engaged. BESE is required to expand existing programs that recruit and train individuals with experience and skills in business and industry with no prior teaching experience. The provisions of the legislation shall be implemented, to the maximum extent possible utilizing any and all available funding sources, as annually appropriated by the legislature. BESE is required to develop a timeline to prioritize and provide for implementation in phases if deemed necessary. Implementation of the legislation is subject to the appropriation of funds for this purpose.

EXPENDITURES	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

REVENUES	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
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Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

State general fund (SGF) expenditures will increase for the Department of Education to expand current programs, revise and align middle school and high school curriculum, to develop additional applied and hybrid courses, and provide professional development. According to DOE, the estimated cost to implement the provisions of the proposed legislation is \$7.5 million in FY 09-10, \$9 million in FY 10-11, \$10.8 million in FY 11-12, \$13 million in FY 12-13, and \$15.6 million in FY 13-14, and assumes that any cost to the local school system would be provided by SGF. FY 09-10 costs are broken out as follows:

**TRAVEL:** \$680,000 - to hold 17 meetings on strategies such as dropout prevention, graduation planning, hybrid course development, and curriculum development. The costs were based on \$200 per participant to travel to one of 8 regional meetings (with 25 participants at each meeting).

**OPERATING SERVICES/SUPPLIES:** \$2,496,000 - training for hybrid course implementation (800 teachers \* \$200 each = \$160,000), hybrid course materials and supplies for teachers (800 teachers \* \$1,000 each = \$800,000), and costs for the implementation of career awareness and exploration activities (153,000 students \* \$10 each = \$1.5 million).

**OTHER CHARGES:** \$4,085,100 for the purchase of software and materials for dropout prevention. The estimate is for 10% of the 153,000 middle school students at a cost of \$267 per year (15,300 \* \$267 = \$4,085,100).

**PROFESSIONAL SERVICES:** \$300,000 - for national experts to conduct summits. An initial summit for 1,500 participants at a cost of \$200,000, and 8 regional mini-summits at a cost of \$12,500 per region (8 regions \* \$12,500 = \$100,000).

The legislation requires BESE and DOE to develop and implement certain strategies or programs, but does not provide details as to the extent or level that such should be implemented. The department has already started implementing certain strategies and activities, but not necessarily statewide. In some cases the local school systems are already required to perform some of these functions as well. For example, current law provides for students in grades 6 through 8 to be exposed to career and technical academic fields, therefore, the total \$1.5 million associated with those activities may not be a necessary cost. The Department has also implemented in some schools the High Schools That Work/Making Middle Grades Work model. These programs accomplish some of the requirements of the proposed legislation. Therefore, the Legislative Fiscal does not anticipate that all of the costs stated above are necessary for implementation of the proposed legislation.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules  
 13.5.1 >= \$500,000 Annual Fiscal Cost

13.5.2 >= \$500,000 Annual Tax or Fee Change

House  
 6.8(F) >= \$500,000 Annual Fiscal Cost

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

*H. Gordon Monk*

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**Legislative Fiscal Officer**