

Fiscal Estimate Narratives

DPI 3/5/2003

| | | |
|--|---------------------------|------------------------|
| LRB Number 03-1020/1 | Introduction Number AB-94 | Estimate Type Original |
| Subject | | |
| Require one-half credit in personal finance for high school graduation | | |

Assumptions Used in Arriving at Fiscal Estimate

Beginning with pupils who graduate from high school in May 2008, this bill requires 0.5 credit in personal finance to earn a diploma.

State: The department estimates, based on prior curriculum revisions, that to implement this bill, \$50,000 in one-time costs will be incurred. It is estimated that \$30,000 would pay the costs to convene a task force to outline course content, identify resources, publish and distribute task force products. (10 task force members X 10 meetings X \$100 per member=\$10,000; \$20,000 would be necessary to cover the cost of editing, publishing, and shipping.) Another \$20,000 would be needed to conduct training sessions that the department would provide to local districts. It is assumed that 12 training sessions would be conducted (one in each CESA) at a cost of approximately \$1,600 per session. Training session costs include travel, materials, room and equipment rental.

Local: If school districts are required to hire additional teachers to implement a personal finance graduation requirement, their costs would increase. It is unknown to what extent current teaching staff provide instruction in personal finance, and if the proposed requirement could be taught by any licensed teacher. It is not possible to project the number of teachers that school districts would need to hire by the 2007-08 school year. Therefore, the local fiscal effect of this bill is indeterminate.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

| | | | |
|--|---|--|-----------------|
| LRB Number 03-1020/1 | | Introduction Number AB-94 | |
| Subject | | | |
| Require one-half credit in personal finance for high school graduation | | | |
| I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): | | | |
| \$50,000 for costs to convene a task force to develop curriculum in financial education; produce, edit, publish and distribute curriculum; conduct training sessions for local school districts. | | | |
| II. Annualized Costs: | | Annualized Fiscal Impact on funds from: | |
| | | Increased Costs | Decreased Costs |
| A. State Costs by Category | | | |
| | State Operations - Salaries and Fringes | \$ | |
| | (FTE Position Changes) | | |
| | State Operations - Other Costs | | |
| | Local Assistance | | |
| | Aids to Individuals or Organizations | | |
| | TOTAL State Costs by Category | \$ | \$ |
| B. State Costs by Source of Funds | | | |
| | GPR | | |
| | FED | | |
| | PRO/PRS | | |
| | SEG/SEG-S | | |
| III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.) | | | |
| | | Increased Rev | Decreased Rev |
| | GPR Taxes | \$ | \$ |
| | GPR Earned | | |
| | FED | | |
| | PRO/PRS | | |
| | SEG/SEG-S | | |
| | TOTAL State Revenues | \$ | \$ |
| NET ANNUALIZED FISCAL IMPACT | | | |
| | | State | Local |
| NET CHANGE IN COSTS | | \$ | \$ |
| NET CHANGE IN REVENUE | | \$ | \$ |
| Agency/Prepared By | | Authorized Signature | |
| DPI/ Thomas Johnson (608) 266-2819 | | Michael Bormett (608) 266-2804 | |
| | | Date | |
| | | 3/5/2003 | |