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FISCAL IMPACT STATEMENT

LS 7363

BILL NUMBER: HB 1638

NOTE PREPARED: Jan 12, 2023

BILL AMENDED:

SUBJECT: Education Matters.

FIRST AUTHOR: Rep. Behning

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: *Redundant Data Report:* This bill requires the Office of Management and Budget to report to the Legislative Council findings and recommendations for reducing the amount of redundant data that schools are required to submit to state agencies.

Online Training Platform: The bill provides that before July 1, 2024, the Department of Education must establish or license for use an online platform to provide certain required training programs.

Annual Performance Report (APR): It repeals:

- (1) The school corporation annual performance report law;
- (2) The charter school obligation to publish an annual performance report; and
- (3) The performance based awards law.

Policy Updates: This bill provides that individuals appointed to an academic standards committee must be racially and geographically diverse and have subject matter expertise. The bill eliminates the authority to appoint parents to an academic standards committee. It moves up deadlines for recommending and approving streamlined academic standards in order to implement the new standards in the 2023-2024 school year.

The bill also requires employers to report the employment of students enrolled in work based learning courses to the Department of Workforce Development. It also requires a secondary or postsecondary educational institution to ensure that a student's completion of a work based learning course is indicated on the student's transcript.

Interim Study Committee on Education: The bill urges the Legislative Council to assign the topic of financial

literacy to the Interim Study Committee on Education. It makes conforming changes.

Effective Date: Upon passage; July 1, 2023.

Explanation of State Expenditures: *Redundant Data Report:* Under this bill, the Office of Management and Budget (OMB) will prepare a report to make recommendations for reducing the amount of redundant data that schools are required to submit to state agencies. The report will be submitted to the Legislative Council before November 1, 2023. This represents a workload increase for OMB that should be completed with existing staff and resources.

Online Training Platform: This bill requires the Department of Education (DOE) to establish an online training platform for the purposes of consolidating into a central location various trainings currently required for teachers and other school staff. These trainings must be completed through the platform beginning in FY 2025. The bill's requirements represent an additional workload [and/or expenditure] on the agency outside of the agency's routine administrative functions, and existing staffing and resource levels, if currently being used to capacity, may be insufficient for full implementation. The additional funds and resources required could be supplied through existing staff and resources currently being used in another program or with new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

Annual Performance Report (APR): Beginning in FY 2024, this bill repeals provisions requiring public schools to create an Annual Performance Report (APR). This represents a workload decrease for DOE, the State Board of Education (State Board), and certain state agencies who are no longer required to develop and periodically revise the APR.

Policy Updates: Several components of this bill require state agencies to update their policies or procedures. The fiscal impact of these provisions are expected to be minor but ultimately dependent upon the extent that:

- (1) Additional resources are required by the academic standards committee to implement new standards a year earlier than previously prescribed; and
- (2) The Department of Workforce Development (DWD) accepting certain employment information regarding students participating in a workbased learning course increase DWD's workload.

Interim Study Committee on Education: If the committee were to hold additional meetings to address this topic, there would be additional expenditures for legislator per diem and travel reimbursement for the committee members. Any additional expenditures must be within the committee's budget, which is established by the Legislative Council.

Explanation of State Revenues:

Explanation of Local Expenditures: *Annual Performance Report:* This bill repeals current statute requiring public schools to create and publish an APR in their local newspapers. Additionally, certain graduation rate corrections that are currently included in the APR will now be posted in a manner prescribed by DOE. These provisions represent a workload and expenditure decrease for public schools.

Policy Updates: Provisions in this bill may represent a minor workload increase for public schools to adhere to policy changes prescribed in the bill.

Additional Information -

Newspaper Publishing Rates: As authorized by current statute, the State Board of Accounts establishes the maximum legal rates government units are allowed to be charged to publish public notices in state newspapers. As of December 2022, these rates were set at \$7.88 per square block the size of 250 letter M's and increased to \$11.79, \$15.73, and \$19.67 if two, three, or four inserts are required, respectively. These rates are increased by 50% for public notices containing rule or tabular work. Current statute allows schools to use a summary of their APR that reduces the size and cost to publish the APR in a newspaper. Ultimately the savings would depend on the public school, the size of the APR, whether the full APR or the summary of the APR would have been published, and the number of newspapers in which a public school would have been required to publish its APR.

Explanation of Local Revenues:

State Agencies Affected: Office of Management and Budget; Department of Education; Department of Workforce Development; state educational institutions.

Local Agencies Affected: Public schools.

Information Sources: Department of Education.

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