

SF3746 - 1E - Health Education Standard

Chief Author: **Mary Kunesh**
 Committee: **Education Finance**
 Date Completed: **3/15/2024 2:17:13 PM**
 Lead Agency: **Education Department**
 Other Agencies:
 Administrative Hearings

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.
 Reductions shown in the parentheses.

State Cost (Savings)		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Administrative Hearings		-	-	-	-	-
Administrative Hearings		-	-	-	-	-
Education Department						
General Fund		-	-	287	175	165
State Total						
Administrative Hearings		-	-	-	-	-
General Fund		-	-	287	175	165
Total		-	-	287	175	165
Biennial Total				287		340

Full Time Equivalent Positions (FTE)		Biennium			Biennium	
		FY2023	FY2024	FY2025	FY2026	FY2027
Administrative Hearings		-	-	-	-	-
Administrative Hearings		-	-	-	-	-
Education Department						
General Fund		-	-	1	1	1
Total		-	-	1	1	1

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Alyssa Holterman Rosas
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Email: alyssa.holterman.rosas@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Administrative Hearings		-	-	-	-	-
Administrative Hearings		-	-	-	-	-
Education Department						
General Fund		-	-	287	175	165
Total		-	-	287	175	165
Biennial Total				287		340
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Administrative Hearings		-	-	-	-	-
Administrative Hearings		-	-	-	2	-
Education Department						
General Fund		-	-	287	175	165
Total		-	-	287	177	165
Biennial Total				287		342
2 - Revenues, Transfers In*						
Administrative Hearings		-	-	-	-	-
Administrative Hearings		-	-	-	2	-
Education Department						
General Fund		-	-	-	-	-
Total		-	-	-	2	-
Biennial Total				-		2

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 Committee: **Education Finance**
 Date Completed: **3/15/2024 2:17:13 PM**
 Agency: **Education Department**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.
 Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Dollars in Thousands					
General Fund	-	-	287	175	165
Total	-	-	287	175	165
Biennial Total			287		340

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	1	1	1
Total	-	-	1	1	1

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Alyssa Holterman Rosas **Date:** 3/14/2024 1:46:05 PM
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State Cost (Savings) Calculation Details

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State Cost (Savings) = 1-2		Biennium			Biennium
Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	287	175	165
Total	-	-	287	175	165
Biennial Total			287		340
1 - Expenditures, Absorbed Costs*, Transfers Out*					
General Fund	-	-	287	175	165
Total	-	-	287	175	165
Biennial Total			287		340
2 - Revenues, Transfers In*					
General Fund	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-

Bill Description

This bill requires MDE to develop and implement statewide academic standards in health.

Assumptions

Development of statewide Academic Standards in Health would begin in 2024-25 school year.

Creating statewide Health standards would exceed MDE's current capacity. It would be necessary to hire one full-time Education Specialist 2 beginning in FY25 to coordinate the standards development process as well as lead statewide implementation support efforts for the standards.

For the Standards Committee required under 120B.021, MDE will be responsible for the cost of the 30 substitutes at \$220 per day for 10 committee days. As for the daily meeting expenses for these 30 participants, the fiscal note assumes that 25 of them will live within the metro area and have roundtrip mileage costs of 40 miles while the remaining five participants will live outside of the metro area and have roundtrip mileage costs of 250 miles. MDE assumes that all 30 participants will be reimbursed at the standard business rate of \$0.67 per mile. The 25 metro participants will be reimbursed for one lunch at \$13. The five outstate members will be reimbursed for one dinner at \$19, one breakfast at \$11, one lunch at \$13 and one hotel night at \$150. Two of the outstate members will have child care costs of \$40. This is a total of \$28,850 in meeting expenses for the 10 meetings. In addition, 5 expert reviewers will be needed to review the standards at a cost of \$5,000 each.

The rulemaking to add health education standards to the curriculum is considered a small rulemaking under chapter 14. For staffing costs, it is assumed that MDE will only require some clerical support. Therefore, the total \$11,935 rulemaking cost split between FY25 and FY26 includes the clerical support, the administrative hearings portion of rulemaking (i.e. legal fees, admin law judge costs, and filing fees), the State Register costs (i.e. request for comments, notice of intent, and notice of adoptions), and other miscellaneous costs (i.e. mailing, duplication, and transcripts).

Expenditure and/or Revenue Formula

SF3746	FY24	FY25	FY26	FY27
1.0 FTE Ed Finance Specialist 2		\$164,451	\$164,478	\$164,505
Standards Committee				
30 Substitutes X \$220 X 10 days		\$66,000		
Meeting Expenses		\$28,850		
Expert Reviewers (\$5,000 X 5)		\$25,000		
Standards Committee subtotal		\$119,850		
Rulemaking				
Clerical Support			\$4,400	
OAG Legal Fees (10 HR X \$163/hr)			\$1,630	
ALJ Time (10 HR X \$245/hr)			\$2,450	
Filing Fee			\$50	
Request for Comments		\$135		
Notice of Intent to Adopt Rule		\$1,350		
Notice of Adoption			\$50	
Mailing		\$370	\$500	
Duplicating			\$500	
Transcripts			\$500	
Rulemaking Subtotal		\$1,855	\$10,080	
Total Cost		\$286,156	\$174,558	\$164,505

Meeting Expenses	Meals	Mileage	Hotel	Childcare	Total
5 meeting participants 250-mile round trip	\$215	\$840	\$750	\$80	\$1,885
25 meeting participants 40-mile round trip	\$325	\$675	\$0	\$0	\$1,000
Total cost per meeting	\$540	\$1,515	\$750	\$80	\$2,885
Total for 10 meetings	\$28,850				

Long-Term Fiscal Considerations

The Education Specialist 2 position will be ongoing.

Local Fiscal Impact

Schools are currently implementing locally developed health standards. As a result of this bill, they would revise their implementation to be in alignment with statewide health standards.

References/Sources

Agency Contact: Jennifer Dugan (651) 582-8654

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Fiscal Note

2023-2024 Legislative Session

SF3746 - 1E - Health Education Standard

Chief Author: **Mary Kunesh**
 Committee: **Education Finance**
 Date Completed: **3/15/2024 2:17:13 PM**
 Agency: **Administrative Hearings**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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State Cost (Savings)	Biennium			Biennium	
Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Administrative Hearings	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Administrative Hearings	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Chloe Burns **Date:** 3/15/2024 2:12:11 PM
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State Cost (Savings) Calculation Details

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Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Administrative Hearings		-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Administrative Hearings		-	-	-	2	-
Total		-	-	-	2	-
Biennial Total				-		2
2 - Revenues, Transfers In*						
Administrative Hearings		-	-	-	2	-
Total		-	-	-	2	-
Biennial Total				-		2

Bill Description

SF3746-1E authorizes the Department of Education (Department) to conduct rulemaking to adopt statewide academic standards in health and health education.

Assumptions

The Office of Administrative Hearings (OAH) in consultation with Minnesota Management and Budget (MMB) assesses agencies the cost of services rendered to them. All agencies shall include in their budgets provisions for such assessments.

OAH has used the Department's assumption that a small rulemaking will be required to meet the requirements of Section 4, (120B.021, Subd. 3) 'Rulemaking' and Section 7, 'Health Education Standards'. Based on past practices, OAH assumes that a small rulemaking under chapter 14 will require an estimated 10 hours of administrative law judge (ALJ) time for activity related to rulemaking procedures. Of the total rulemaking amount estimated by the Department, \$2,450 is for the 10 hours of ALJ time for rulemaking.

OAH currently bills ALJ time for rulemaking at the MMB-approved billable rate of \$245 per hour (see Minn. Stat. § 16A.126, subd. 1 (2022)).

Expenditure and/or Revenue Formula

Estimated 10 hours of ALJ time for rulemaking activities related to implementing the requirements of Sec. 4 and Sec. 7, = 10 hours x \$245/hr = \$2,450 charged to the Department in FY2026 pursuant to the requirements of Minn. Stat. § 14.53.

Long-Term Fiscal Considerations

Costs associated with rulemaking activities are a one-time occurrence.

Local Fiscal Impact**References/Sources**

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