

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 867** HLS 14RS 869  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.: **REVISED**

<b>Date:</b> March 11, 2014 3:57 PM	<b>Author:</b> HOFFMANN
<b>Dept./Agy.:</b> Education	<b>Analyst:</b> Jodi Mauroner
<b>Subject:</b> Textbooks and instructional materials	

TEXTBOOKS/MATERIALS OR -\$55,000 GF EX See Note Page 1 of 1  
 Provides relative to textbooks and other instructional materials for elementary and secondary schools

The proposed legislation provides a process for the review, adoption, procurement and distribution of free textbooks and instructional materials at public schools and at all other schools under the jurisdiction of the Board of Elementary and Secondary Education (BESE). Requires the review process to be conducted entirely online and allows for public review and comment. Requires the governing authorities to establish review committees, allows public review and input relative to textbooks and instructional materials, and to post responses on the governing authorities website. Requires the purchase and use of electronic textbooks and materials to the maximum extent possible. Requires the Department of Education (DOE) to support efficiencies by providing for bulk purchasing through state contracts whenever possible but allows the governing authority to contract directly with publishers or other content providers. Requires contracts to be awarded on a competitive basis. Requires the DOE to provide for a central depository for textbooks and other instructional materials. Effective upon governor's signature.

<b>EXPENDITURES</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	(\$55,000)	(\$55,000)	(\$55,000)	(\$55,000)	(\$55,000)	<b>(\$275,000)</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						

<b>REVENUES</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

The proposed legislation could reduce costs for the DOE due to the review process being conducted primarily online. Currently, the cost of a review committee includes travel reimbursements in accordance with the state's travel regulations (PPM 49) for lodging, meals and mileage. High volume submissions may require as many as 3 committees, or 45 evaluators and cost an estimated \$100,000 annually. These costs also include substitute teacher reimbursement costs associated with teachers serving on the review committee. DOE estimates that online reviews will significantly reduce travel costs, but not necessarily eliminate them altogether. Further, there would be costs associated with stipend payments for participating evaluators, although fewer evaluators will be used. Committee review expenditures could be reduced to \$45,000 beginning with FY 14-15. Additionally, utilizing the online process would no longer require providing hard copies of textbooks and instructional materials in libraries around the state and will result in an additional savings.

There could be increased costs for the Local School Systems. It is unknown how many school districts currently utilize review committees as required by the proposed legislation. While the legislation requires review committee evaluations to be posted online, there is no prohibition from the committees holding face to face meetings to conduct the review process. If committee members are reimbursed pursuant to PPM 49 there could be costs associated with these meeting, however, assuming local review committees would be comprised of local educators, parents and stakeholders, those costs are anticipated to be minimal.

**REVENUE EXPLANATION**

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

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|---|----------------------------|--------------|--|
| <u>Senate</u>   | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}                    |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}       |                            |              | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}                  |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} |                            |              | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

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