



HF 454 – Education Department Technical Changes (LSB 1095HV)
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Fiscal Note Version – As passed by the House

Description

Section 9 of **House File 454** adds financial literacy to the list of competency testing requirements for a high school equivalency diploma.

Assumptions

The fiscal note addresses Section 9 of the Bill and includes the following assumptions:

- The Department of Education will be required to reconfigure the tracking database to account for the change in the requirement. The department has indicated this will require 40 hours of contract work at \$200 per hour.
- Community colleges will be required to provide additional training to instructors. The estimate assumes that 45 instructors will require additional training at a cost of \$75 per instructor.
- Additionally, community colleges will be required to hire exam proctors for each student taking the exam at \$5 per hour. Exams for financial literacy are assumed to take one hour. The additional cost for pretest and assessment material is estimated at \$5 per student.
- The estimated number of students taking the exam is assumed at 5,500 each year. However, additional students may request pretest material.
- The financial literacy assessment component will increase overall testing costs by approximately \$12 per student. However, students will be required to pay for those additional testing costs.

Fiscal Impact

The estimated fiscal impact includes:

- An increased cost to the Department of Education in FY 2014 of approximately \$8,000.
- An increased cost to the community colleges totaling \$58,000 in FY 2014 and \$55,000 in FY 2015 and subsequent fiscal years.

Source

Iowa Department of Education

/s/ Holly M. Lyons

April 5, 2013

The fiscal note for this bill was prepared pursuant to **Joint Rule 17** and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
