




Date: August 28, 2019

To: Representative Lyndon Carlson, Chair
Representative Pat Garofalo
Representative Paul Marquart, Chair
Representative Greg Davids
Representative Todd Lippert

Senator Julie Rosen, Chair
Senator Richard Cohen
Senator Roger Chamberlain, Chair
Senator Ann Rest

From: Britta Reitan, State Budget Director 

Subject: Local Impact Note Request: HF 1414-1E (Lippert) – Sexual health curriculum model program development required, and report required.

Minnesota Management and Budget (“MMB”) has completed the local impact note requested for HF 1414-1E (Lippert) – sexual health curriculum model program development required, and report required. A copy of the note is attached.

Local impact notes are similar to the fiscal notes that you are familiar with, but they focus on the fiscal impact of proposed legislation on local governments rather than the state. This process is described in Minnesota Statutes 2018, sections 3.987 and 3.988. This statute requires MMB to gather and analyze information on local costs of legislation when requested by the chair or ranking minority member of the House and Senate Taxes committees, the House Ways and Means committee, or the Senate Finance committee.

House File 1414-1E requires the commissioner of Education to identify one or more model sexual health education programs, which must include instruction on particular topics. School districts and charter schools must either develop their own sexual health education programs and submit them for approval, or implement a model program.

MMB identified three ways districts and charter schools could comply with this law. These three scenarios are the foundation for the cost estimate. The costs for school districts vary depending on which scenario they pursue. The bill allows districts to select a model program or a curriculum of their choice, and there is a high degree of uncertainty over which program schools will ultimately choose, regardless of school district size. Given this, this local impact note outlines the range of costs districts believe are possible, rather than estimate a statewide local fiscal impact, which implies a level of precision and certainty. The note also discusses what factors might influence the fiscal impact of specific items.

If you or your staff have any questions about the local note process, please do not hesitate to contact Executive Budget Officer Melissa Lam Young at 651-201-8045.

cc: Legislative Staff
MMB Staff

August 28, 2019

HF 1414-1E (Lippert)

Sexual health curriculum model program development required, and report required.

Local Fiscal Impact					
Net Expenditure Increase/Revenue Loss or (Expenditure Decrease/Revenue Gain) Dollars in Millions, Calendar Years					
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Statewide	Yes - Unknown	Yes - Unknown	Yes - Unknown	Yes - Unknown	Yes - Unknown

Bill Description

House File 1414-1E requires the commissioner of Education to identify one or more model sexual health education programs, which must include instruction on particular topics. School districts and charter schools must either develop their own sexual health education programs and submit them for approval, or implement a model program.

Section 1, subdivision 1 requires the commissioner of Education, in consultation with the commissioner of Health and other qualified experts, identify one or more model comprehensive sexual health education programs for elementary and secondary school students. The commissioner must use the rulemaking process under Minnesota Statutes 2018, section 14.389 and must provide school districts and charter schools with access to the model program, including written materials, curriculum resources, and training for instructors. The model program must include medically accurate instruction that is age and developmentally appropriate on certain topics.

Section 1, subdivision 2 requires that a school district or charter school implement a comprehensive sexual health education program for students in elementary and secondary school, including students with disabilities and students enrolled in a state-approved alternative program, starting in the 2021-2022 school year. The sexual health education program must include instruction on the topics listed in Section 1, subdivision 1, and must respect community values, be culturally responsive, and provide students with information about local resources related to sexual and reproductive health, dating violence, and sexual assault.

A school district or charter school that does not adopt a model program must submit its sexual health education program to the commissioner of Education for approval. A district applying for approval must include the process used to develop, the written materials used in, and the training provided to instructors of the school district or charter school’s sexual health education program. Paragraph (d) specifies that a person without a teaching license, who is employed by the school district, charter school, or a community organization with content expertise, may provide instruction in a sexual health education program under this section.

Section 1, subdivision 3 requires a school district or charter school to provide instruction under this section consistent with the parental curriculum review requires in Minnesota Statute 120B.20.

Section 2 requires the commissioner of Education to submit a legislative report on the sexual health program required under in the preceding section.

Local Impact Methodology

HF 1414-1E does not appropriate funding to districts and charter schools to either implement a model program selected by the commissioner of Education or to develop and implement the curriculum of their choice. Any costs would be assumed by the individual schools and districts. To estimate the fiscal impact to schools, Minnesota Management and Budget (MMB) surveyed districts around the state. The survey and bill language were provided to a response group of superintendents and business managers from 36 metro and non-metro school districts. The districts have volunteered to provide information to MMB on local impact notes. A total of 13 districts (36 percent) responded to the request for information for this local impact note. A summary of respondents by type is included in Table 1.

Table 1: Respondents by District Type

District Type	Number of Respondents
Metro inner-ring district (e.g. Roseville, St. Louis Park, Columbia Heights)	1
Metro outer-ring district (e.g. White Bear Lake, Eastern Carver County)	2
Non-metro district with more than 2,000 students	5
Non-metro district with 1,000-2,000 students	2
Non-metro district with less than 1,000 students	3
Total Responses	13

Because of the high degree of variability in estimating ongoing costs, the estimates contained in this note represent the likely costs school districts will incur to meet the implementation for the 2021-2022 school year. Due to significant uncertainty and variability, ongoing costs are excluded from this analysis. Assigning ongoing costs would require districts to make judgments about costs and staffing levels without knowing what situations or circumstances might arise in the future.

Assumptions

Fiscal impacts can take the form of costs or savings. MMB made the following assumptions about items of possible local fiscal impact in HF1414-1E:

1. Current law does not require sexual health curriculum be taught in in schools; thus, HF 1414-1E represents a state-mandated requirement for districts and charter schools.
2. All costs associated with developing the model program, including the development of written materials, curriculum resources, and training for instructors, would be paid by the Minnesota Department of Education (MDE). However, MDE has the authority to charge a fee to participants to defray the costs of conferences and workshops conducted by the department under Minnesota Statutes 127A.08.
3. MDE estimates districts would pay a fee of \$438.48 per participant for training on the model program.
4. All costs associated with developing and implementing another curriculum of their choice would be paid by the school or district.
5. If a school district chose to contract with a person or organization to provide instruction as permitted in the bill, the school or district would pay for the contract.

Survey

After analyzing the bill requirements, MMB identified three ways districts and charter schools could comply with this law. These three scenarios became the foundation for the survey's framework:

- **Scenario A:** A district chooses to adopt a model program identified by MDE.
- **Scenario B:** A district which currently implements a sexual health program and *does not* choose to adopt a model program identified by MDE.
- **Scenario C:** A district *does not* choose to adopt a model program identified by MDE, and *does not* currently implement a sexual health program.

Discussion of Local Costs

Assigning local costs resulting from the requirements in HF 1414-1E proved challenging for some respondents. HF 1414-1E requires districts to make judgments about whether or not they would adopt the model curriculum identified by MDE without first knowing which program(s) MDE has identified. Some respondents indicated they would need to review MDE's model program before making a definitive choice:

Since the MDE model program has not yet been developed, I would like to say "unknown at this time" [to the] question regarding if our district would be adopting that program or not. That is truly undetermined until I would be able to...review the MDE model program to determine if that would be a good fit with our community's values and [then] make a decision about our course of action.

Because of the high degree of uncertainty about which program schools will ultimately choose, this note does not include an estimate of statewide local fiscal impact. Such an estimate implies a level of precision and certainty on the part of both school districts and MMB. Instead, this local impact note outlines a range of costs and discusses factors that might influence costs. The table below represents a summary of the cost estimates provided by respondents, followed by a discussion of costs organized by scenario.

Table 2: Summary of Cost Estimates by District Type for 2021-2022 Implementation

School District Type	Average Cost	Range of Costs
Metro inner-ring district	\$8,770	N/A (1 response)
Metro outer-ring district	\$4,473	\$877-\$8,069
Non-metro district with more than 2,000 students	\$7,061	\$1,754-19,391
Non-metro district with 1,000-2,000 students	\$1,096	\$438-1,754
Non-metro district with less than 1,000 students	\$7,893	\$438-3,508

Scenario A

The survey asked respondents to determine whether they would adopt a model program identified by MDE. Ten out of 13 respondents (77 percent) indicated they would adopt MDE's model program. Those who chose "yes" (Scenario A) were asked whether they would require additional staff in order to implement the model program. No responding districts indicated they would need additional staff.

This group was also asked how many instructors they estimate would attend MDE's training on the model program. On average, the ten responding districts estimate they would send six staff to MDE's training (or an average cost of \$2,631). However, there was a high degree of variability. The number of staff a school district indicated it would send to training did not correlate with school district size. For example, of the three non-metro districts with less than 1,000 students in Scenario A, one indicated it would send one staff to training

while another responded that it would send 15 people. Because of this variability and the absence of a cap on the number of staff districts send to MDE’s training, MMB is unable to reliably extrapolate a statewide fiscal impact. Table 3 displays estimated costs for sending instructors to MDE model training.

Table 3: Summary of Cost Estimates under Scenario A

School District Type	Average Cost	Range of Costs
Metro inner-ring district	\$8,767	N/A (1 response)
Metro outer-ring district	\$877	N/A (1 response)
Non-metro district with more than 2,000 students	\$2,339	\$1,754-3,508
Non-metro district with 1,000-2,000 students	\$1,096	\$438-1,754
Non-metro district with less than 1,000 students	\$7,8923	\$438-3,508

Scenario B

If a district indicated it would not adopt a model program identified by MDE, it was asked if it currently implements a sexual health program. If yes (Scenario B), respondents were asked to indicate if their program currently complies with the program requirements detailed in Section 1 of the bill. If their program does not comply, the survey asked respondents to describe the process they would use to develop these requirements and to provide an estimate of costs and explain their assumptions.

Three of the 13 respondents (23 percent) indicated they would not adopt the model program, and all responded that they currently implement a sexual health program. No school district indicated it meets all requirements. Table 4 is a summary of the potential costs these districts indicated they would incur to conform their existing program to HF 1414-1E’s requirements. Table 5 summarizes these costs by school district type.

Table 4: Summary of Cost Estimates under Scenario B per Bill Requirement

Survey question	Description of Costs
Is your program taught to all student groups identified in Section 1, subdivision 2 of the bill?	All responding districts indicated that existing programs are taught to all student groups identified in Section 1, subdivision 2. Therefore, this note does not incorporate costs from complying with this portion of the bill.
Does your program meet the curriculum requirements in Section 1, subdivision 1, paragraph (b), which includes providing medically accurate instruction that is age and developmentally appropriate on certain topics?	All respondents estimated fiscal impacts from additional administrative and teacher costs related to assessing their current curriculum, writing the new curriculum, materials, staff training, and community and teacher engagement. Costs ranged from \$5,000-\$9,000.
Does your program meet the notification requirements described in Section 1, subdivision 1, paragraph (d), which includes respecting community values and being culturally responsive?	Two respondents indicated they would include this notification requirement within the curriculum-writing process described above or add it to their current notification practices. One respondent indicated it would incur an additional \$500 to develop curriculum to meet this requirement.
Does your program meet the requirements described in Section 1, subdivision 2 of the bill?	One of three responding districts indicated it would cost \$800 to research, develop, and implement these requirements. Another district stated they would conduct a focus group, which would cost \$2,500, to

Survey question	Description of Costs
	make their program more responsive to culturally diverse populations.
Would you send instructors to MDE's training on the model program(s)?	Two of three respondents indicated they would send staff to MDE's training on the model program, despite indicating they would not adopt the program. Costs ranged from \$3,069 -\$7,893.

Table 5: Summary of Cost Estimates under Scenario B by School District Type

School District Type	Average Cost	Range of Costs
Metro inner-ring district	N/A (No responses)	N/A (No responses)
Metro outer-ring district	\$8,069	N/A (1 response)
Non-metro district with more than 2,000 students	\$14,145	\$8,900-19,391
Non-metro district with 1,000-2,000 students	N/A (No responses)	N/A (No responses)
Non-metro district with less than 1,000 students	N/A (No responses)	N/A (No responses)

Scenario C

No respondents indicated that they would not adopt a model program identified by MDE and do not currently implement a sexual health program. Therefore, there is no data to estimate the costs associated with this scenario for complying with the bill. To the extent a district or charter school exists in the state that does not currently offer a sexual health education program that would develop its own curriculum, those costs are not reflected in this analysis.