

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1121S.01I  
 Bill No.: SB 89  
 Subject: Education, Elementary and Secondary; Department of Elementary and Secondary Education; Teachers  
 Type: Original  
 Date: January 17, 2023

Bill Summary: This proposal creates the Missouri Education Transparency and Accountability Portal and the Parents' Bill of Rights Act of 2023.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
General Revenue	(Less than \$3,957,034 to Could exceed \$4,167,364)	(Less than \$1,168,677 to Could exceed \$1,378,190)	(Less than \$1,194,173 to Could exceed \$1,407,252)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(Less than \$3,957,034 to Could exceed \$4,167,364)</b>	<b>(Less than \$1,168,677 to Could exceed \$1,378,190)</b>	<b>(Less than \$1,194,173 to Could exceed \$1,407,252)</b>

\*Oversight notes, if a school district fails to comply with this proposal, DESE is to withhold fifty percent of the state aid payments to the district. Oversight is uncertain how many school districts would be non-compliant; therefore, Oversight assumes the net impact to General Revenue could be less than the costs estimated for other provisions in this proposal.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
General Revenue	5 FTE up to 7 FTE	5 FTE up to 7 FTE	5 FTE up to 7 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>5 FTE up to 7 FTE</b>	<b>5 FTE up to 7 FTE</b>	<b>5 FTE up to 7 FTE</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<b>Local Government</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### Section 161.852 - Transparency and Accountability Portal

Officials from **Department of Elementary and Secondary Education (DESE)** assume this section requires the DESE to create the “Missouri Education Transparency and Accountability Portal”, an internet-based tool to be a searchable database of every public-school district’s curriculum, source materials, and professional development materials.

DESE assumes that curriculum and source materials would include, but not be limited to, textbooks, lectures, readings, textbooks, multimedia components, and other resources in a class. The collection, categorization, organization, and display of this information would require significant investment in the programming, storage, and maintenance of the portal. DESE will need to stand up an entirely new platform and dedicate full time employee support for the day-to-day operations of the portal. An entirely new section, as described below, would be responsible for a majority of these duties. For the purposes of this fiscal note the Department will use the Food and Nutrition Services section as a model for the new section as DESE believes it would be similarly constructed.

Department of Elementary and Secondary Education Transparency and Accountability

One (1) Coordinator of Transparency and Accountability - \$62,232

One (1) Data Systems Administrator - \$62,232

One (1) up to Two (2) Directors of Transparency and Accountability - up to \$85,480

One (1) up to two (2) Transparency and Accountability Analyst - up to \$67,080

One (1) Administrative Assistant - \$27,960

This section also requires DESE to maintain a database of all administrator, teacher, and staff professional development and instructional programs offered to schools that are paid for with state funds, whether offered directly by DESE, another state agency, or by a third-party contractor. All programs must also be open to the public and recorded and accessible to the public free of charge.

**Oversight** will show the FTE costs as estimated by DESE.

In response to a similar proposal, SB 4 (2023), officials from the **Office of Administration – Information Technology** state it is assumed that every new IT project/system will be bid out because all ITSD resources are at full capacity. This project would have to be prioritized by DESE to be worked among DESE's other projects. ITSD assumes this would require a new application/portal, Missouri Education Transparency and Accountability Portal. The data fed into this system would be from districts, and must have processes in place for collection/reporting. While the proposal does state a few interfaces in this new portal, there's potentially a lot of data needed to be in the portal for viewing that is not gathered today in Annual Performance Reports

(APRs) and such existing data collection processes. ITSD estimates the project would take 27,000 hours at a contract rate of \$95 for a total cost of \$2,565,000 in FY 2024 with on-going support costs of \$525,825 in FY 2025 and \$538,971 in FY 2026.

Modifications to MOSIS would also be required. ITSD estimates the project would take 10,800 hours at a contract rate of \$95 for a total cost of \$1,026,000 in FY 2024 with on-going support costs of \$210,330 in FY 2025 and \$215,588 in FY 2026.

**Oversight** notes the combined IT costs for one new application development and modifications to MOSIS are estimated at \$3,591,000 in FY 2024 with on-going support costs of \$736,155 in FY 2025 and \$754,559 in FY 2026.

#### Section 161.1140 - Parents' Bill of Rights

Officials from the **Attorney General's Office** and the **Office of the State Courts Administrator** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

**Oversight** notes Section 161.1140 states DESE may withhold up to fifty percent of the state aid payments to school districts for violations of this section. Oversight will show a range of impact of \$0 (no violations) to an unknown gain to General Revenue and an unknown loss to school districts. Oversight assumes this gain to General Revenue could exceed \$250,000.

**Oversight** assumes there could be administrative costs to provide information to parents and legal costs for violations of section 161.1140. Oversight will show a range of impact of \$0 (could absorb costs) to an unknown cost to school districts.

#### Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
<b>GENERAL REVENUE</b>			
<u>Costs</u> - DESE - §161.852 - Transparency and Accountability Portal p. 3-4			
Personnel Service	(\$203,300 or up to \$279,580)	(\$248,839 or up to \$342,206)	(\$253,816 or up to \$349,050)
Fringe Benefits	(\$140,996 or up to \$195,509)	(\$171,021 or up to \$237,121)	(\$172,883 or up to \$239,682)
Expense & Equipment	(\$21,738 or up to \$101,275)	(\$12,662 or up to \$62,708)	(\$12,916 or up to \$63,962)
<u>Total Costs</u> – DESE	(\$366,034 or up to \$576,364)	(\$432,522 or up to \$642,035)	(\$439,614 or up to \$652,693)
FTE Change	5 FTE up to 7 FTE	5 FTE up to 7 FTE	5 FTE up to 7 FTE
DESE/ITSD - transparency and accountability portal - §161.852 p. 4	(\$3,591,000)	(\$736,155)	(\$754,559)
<u>Revenue Gain</u> - withheld state aid payments from school districts for violations - §161.1140.5 p.4	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b>(Less than \$3,957,034 to Could exceed \$4,167,364)</b>	<b>(Less than \$1,168,677 to Could exceed \$1,378,190)</b>	<b>(Less than \$1,194,173 to Could exceed \$1,407,252)</b>
Estimated Net FTE Change on General Revenue	5 FTE up to 7 FTE	5 FTE up to 7 FTE	5 FTE up to 7 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
<b>SCHOOL DISTRICTS &amp; CHARTER SCHOOLS</b>			
<u>Costs</u> - to provide access to information - §161.1140	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Costs</u> - for legal costs - §161.1140	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Loss</u> - of state aid (up to fifty percent per district) for violations - §161.1140.5	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<b>ESTIMATED NET EFFECT ON SCHOOL DISTRICTS &amp; CHARTER SCHOOLS</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This act creates the Missouri Education Transparency and Accountability Portal. The portal shall be an internet-based tool creating transparency in Missouri's public education system and providing citizens access to every school district's curriculum, source materials, and professional development materials. The portal shall consist of an easy-to-search database including certain information as outlined in the act. The Commissioner of Education shall establish a form that school districts shall complete with the information required by the act. (Section 161.852). This provision is identical to a provision in SB 645 (2022).

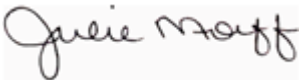
This act creates the "Parents' Bill of Rights Act of 2023." Under this act, no school district shall deny to the parent or guardian of a minor child certain rights. Such rights includes the ability to fully review the curricula, books, and other educational materials used by the school attended by their child; the ability to access information on teachers, guest lecturers, and outside presenters who engage with students at the school; the ability to access information on third party individuals and organizations that receive contracts; the right to visit their child at school during school hours; the right to access all records generated by the school that concern their child; the ability to access information pertaining to the collection and transmission of data regarding their child; the right to be heard at school board meetings; the right to be notified of situations affecting the safety of their child at school; and the right to object to certain materials that the parent finds inappropriate to be taught to their child.

Any person denied one of these rights may bring a civil action for injunctive relief. Further, the attorney general may also bring a civil action for injunctive relief. If a school district is found to have violated this act, the Department of Elementary and Secondary Education may withhold up to fifty percent of the state aid for such district. (Section 161.1140)


This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education  
Attorney General's Office  
Office of the State Courts Administrator  
Office of the Secretary of State  
Joint Committee on Administrative Rules



Julie Morff  
Director  
January 17, 2023



Ross Strobe  
Assistant Director  
January 17, 2023