

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1641S.07P  
 Bill No.: Perfected SS for SCS for SB Nos. 411 & 230  
 Subject: Education, Elementary and Secondary; Department of Elementary and Secondary Education  
 Type: Original  
 Date: April 12, 2023

Bill Summary: This proposal establishes provisions relating to the participation of elementary and secondary school students in educational settings.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<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>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</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>Unknown or (Unknown)</b>	<b>Unknown or (Unknown)</b>	<b>Unknown or (Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

**Oversight** was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

### Section 162.1250 & 166.700 – Qualified Schools for the Missouri Empowerment Scholarship Program

**Oversight** assumes this proposal changes/clarifies who can receive Missouri Empowerment Scholarships and adds Family-Led Educational Experience (FLEX).

For purposes of this fiscal note, **Oversight** will not show an impact from this change as the full value of the tax credit cap (full participation) was accounted for in prior legislation and changing the number of students who may participate will not impact the amount of donations (which drives the 100% tax credit amounts).

### Section 167.042 – Repealed

In response to a previous version, officials from the **Office of Administration - Budget and Planning** stated Section 167.042 allows the recorder of deeds to charge a service cost up to \$1 for each notice filed. The repeal of this section may not affect TSR, but may impact the calculation under Article X, Section 18(e).

**Oversight** will show an unknown loss to county recorders.

### Section 167.790 – Statewide Activities Association

In response to a similar proposal, SB 835 (2022), officials from the **High Point R-III School District** assumed the proposal would not fiscally impact their organization.

In response to a similar bill, SB 130 (2019), officials from the **Sherwood-Cass R-VIII School District** assumed the cost to the school districts would be the loss of revenue from hosting competitions, concession sales, and miscellaneous revenues through fund-raising and other methods.

In response to a similar bill, SB 130 (2019), officials from the **Springfield Public Schools** assumed a cost of \$75,000 for administrative support to monitor eligibility and other factors for students who are not enrolled in the district and other costs that would result from expanded need

for contests due to increased participation. The district has 14 schools with athletics so this would require dedicated staff time.

In response to a similar bill, SB 130 (2019), officials from the **Lee's Summit R-7 School District** assumed the proposal will have no fiscal impact on their organization as the Missouri State High School Activities Association does have guidelines and their district does allow these students to participate.

In response to a similar bill, SB 130 (2019), officials from the **Wellsville-Middletown R-1 School District** assumed the proposal will have no fiscal impact on their organization.

**Oversight** notes the Missouri State High School Activities Association (MSHSAA) does allow some non-traditional students to participate if they meet certain criteria including in-class seat time per the MSHSAA Handbook. Oversight notes some districts indicated a negative fiscal impact due to loss of revenue from hosting competitions, concession sales and fund-raising or administrative costs to track eligibility. Oversight will show a potential unknown cumulative fiscal impact to school districts.

#### Senate Amendment 1 and Senate Amendment 4 – Four Day School Week

In response to a similar proposal, HB 784 (2023), officials from the **Department of Elementary and Secondary Education** and the **Office of the Secretary of State** each assumed the proposal would have no fiscal impact on their respective organizations.

In response to a similar proposal, HB 784 (2023), officials from the **Jackson County Board of Elections, Platte County Board of Elections** and the **St. Louis County Board of Elections** each assumed the proposal would have no fiscal impact on their respective organizations.

**Oversight** assumes this proposal allows school districts located in a county with a charter form of government or city with than thirty thousand inhabitants to establish a four day school week. This proposal requires a school district to submit the question of whether to adopt a four-day week to voters on the next public election before a school district implements a four-day school week. Oversight will show a range of cost of \$0 (no question submitted so no election costs or can absorb the cost) to an unknown impact for proportional election costs.

#### Senate Amendment 2 – Academic Performance or Disciplinary Status

**Oversight** assumes there could be costs for school districts to track non-traditional studies for eligibility.

#### Senate Amendment 3 – Requirements to Participate in Public School Events or Activities

**Oversight** assumes there could be costs for school districts to track non-traditional studies for eligibility.

Senate Amendment 5 – Elective Social Studies Courses

In response to a similar proposal from SB 34 (2023), officials from the **Department of Elementary and Secondary Education** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal, SB 323 (2021), officials from **Affton 101 School District** assumed there could be a fiscal impact.

In response to a similar proposal, SB 323 (2021), officials from the **High Point R-III School District** assumed the proposal would have no fiscal impact.

In response to the similar HB 267 (2019), officials from the **Springfield Public Schools** assumed the proposal would have no fiscal impact.

In response to the similar HB 267 (2019), officials from **Wellsville-Middletown R-1 School District** stated public schools already have the ability to teach any religious text in a neutral manner, on a factual and historical basis.

**Oversight** notes that this proposal is permissive and appears to be consistent with what is already allowed under current law; therefore, Oversight does not anticipate a fiscal impact from this proposal.

Senate Amendment 6 – Excused Absences

In response to a similar proposal, SB 122 (2023), officials from the **Department of Elementary and Secondary Education** assumed the proposal would have no fiscal impact on their organization. Excusing an absence does not make the time claimable for Average Daily Attendance (ADA), thus no increase to the call of the Foundation Formula.

**Oversight** does not anticipate a fiscal impact from this proposal. However, Oversight did not receive any responses from school districts related to this proposal.

Senate Amendment 7 - Sections 162.471, 162.492 and 162.611 – Appointing School Board Members

In response to a similar proposal, HB 914 (2023), officials from the **Jackson County Board of Elections, Kansas City Board of Elections, Platte County Board of Elections, St. Louis City Board of Elections** and **St. Louis County Board of Elections** each assume the proposal will have no fiscal impact on their respective organizations.

**Oversight** assumes there could be savings if the Kansas City Public Schools and St. Louis Public Schools can appoint a board member instead of holding a special election.

Responses regarding the proposed legislation as a whole

Officials from the **Department of Elementary and Secondary Education, Department of Revenue, Missouri Office of Prosecution Services** and the **Department of Social Services** 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.

Officials from the **Platte County Board of Elections** and the **St. Louis County Board of Elections** 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.

Officials from the **Office of the State Treasurer** and the **Office of the State Courts Administrator** did not respond to **Oversight's** request for fiscal impact for this proposal.

**Oversight** received a limited number of responses from school districts related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other school districts were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Savings</u> – School Districts – saving election costs - §162.471, 162.492 & 162.611 (SA7) – p.5	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
Loss of Revenue – County Recorders – no longer charging a service cost of \$1 for each notice filed - §167.042 – p.3	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Loss of Revenue</u> – School Districts - prohibition of participation in a statewide activities association - §167.790 – p.3-4	\$0 or (Unknown)	\$0 or (Unknown)	§\$0 or (Unknown)
<u>Cost</u> – School Districts - administrative cost to track and determine eligibility of non-traditional students - §167.790, SA2 & SA3 p.3-5	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Costs</u> – School Districts - for proportional election costs to place 4 day school week - §171.028 (SA1) – p.4	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b>Unknown or (Unknown)</b>	<b>Unknown or (Unknown)</b>	<b>Unknown or (Unknown)</b>

FISCAL IMPACT – Small Business

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

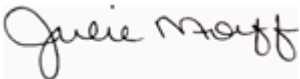
FISCAL DESCRIPTION

This proposal modifies provisions related to elementary and secondary education.

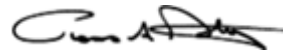
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education  
Department of Revenue  
Department of Social Services  
Missouri Office of Prosecution Services  
Office of Administration - Budget and Planning  
Jackson County Board of Elections  
Kansas City Board of Elections  
Platte County Board of Elections  
St. Louis City Board of Elections  
St. Louis County Board of Elections  
Affton 101 School District  
High Point R-III School District  
Sherwood-Cass R-VIII School District  
Springfield Public Schools  
Lee's Summit R-7 School District  
Wellsville-Middletown R-1 School District



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