

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3242S.01I
 Bill No.: SB 1181
 Subject: Education, Elementary and Secondary; Department of Elementary and Secondary Education; Teachers
 Type: Original
 Date: January 31, 2024

Bill Summary: This proposal establishes provisions relating to discussion of certain concepts in public schools.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue*	\$0 to (Less than \$100,000)	\$0 to (Less than \$100,000)	\$0 to (Less than \$100,000)
Total Estimated Net Effect on General Revenue	\$0 to (Less than \$100,000)	\$0 to (Less than \$100,000)	\$0 to (Less than \$100,000)

* The fiscal note reflects a range of impact of \$0 (no hearings) to costs of less than \$100,000 (hearings by the State Board) as estimated by DESE in the fiscal note.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on FTE	0	0	0

- 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.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Discussion of Certain Concepts and Beliefs in Public School (Section 170.355)

Officials from the **Department of Elementary and Secondary Education** assume the proposal will have no fiscal impact on their respective organization.

In response to a similar proposal, SB 158 (2023), officials from **DESE** stated section 170.355 will allow students, parents, or teachers to file a complaint with DESE regarding any violation of this section. In order to process these complaints, DESE would plan to hold hearings as outlined. Based on this proposed language, the Office of Governmental Affairs estimated costs of less than \$100,000. These costs which will be dependent on the number of hearings/appeals the State Board receives and will include:

- Hearing officer time for hearing and drafting recommendations for the State Board.
- Administrative assistant time to schedule hearings, provide notice to parties and any settlement negotiations.
- Court reporter costs.

For cost explanation purposes, the average cost for a teacher discipline hearing is \$566.55/hearing:

- Average of 3 hours of hearing officer time x average of \$58.08/hour
- Average of 7 hours administrative assistant time x \$31.08/hour
- Average of \$174.75 in court reporter costs/hearing.

DESE estimated between 1 and 10 hearings per year for a cost between \$566.55 and \$5,665.50.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a range of impact of \$0 (no hearings) to Less than \$100,000 in costs (hearings by the State Board) as estimated by DESE in the fiscal note.

In addition, **Oversight** will show a range of impact for potential legal and other costs for a right of private action being brought against school districts for violating section 170.355.

Officials from the **Office of Attorney General (AGO)** assume any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation.

In response to a similar proposal, SB 158 (2023), officials from **Office of the State Courts Administrator** assume the proposal will have no fiscal impact on their respective organization.

Oversight received zero 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 MOLIS database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE			
<u>Costs</u> – Investigations / Hearings - §170.355	\$0 to (Less than \$100,000)	\$0 to (Less than \$100,000)	\$0 to (Less than \$100,000)
ESTIMATED NET EFFECT ON GENERAL REVENUE	\$0 to (Less than \$100,000)	\$0 to (Less than \$100,000)	\$0 to (Less than \$100,000)

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
SCHOOL DISTRICTS & CHARTER SCHOOLS			
<u>Costs</u> – posting and providing access to digital library catalogue	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Costs</u> - legal and other costs stemming from a private right of action brought against school districts - §170.355	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS & CHARTER SCHOOLS	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

The act provides that no school or school employee, as the term "school" is defined in the act, shall compel teachers to teach, or compel a student or teacher to personally adopt or profess, a position or viewpoint that a reasonable person would conclude violates certain public policies described in the act. Such viewpoints include, but are not limited to, the notion that individuals of any race, ethnicity, color, or national origin are inherently superior or inferior to others, or that individuals, by virtue of their race, ethnicity, color, or national origin, bear collective guilt and are inherently responsible for actions committed in the past by others. No school may require a student or employee to attend or participate in a training, instruction, or therapy that a reasonable person would believe violates this provision.

The act additionally provides that a school shall post on its website the names of all books required for students and provide parents access to the digital library catalogue for the attendance center where the parent's student is enrolled.

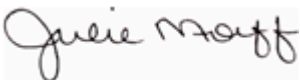
Any parent of a student enrolled in a school may bring a civil action against the school for injunctive relief or damages for any violation of the act that causes harm to their child.

Any public school teacher who violates the provisions of the act shall face charges to suspend or revoke their license to teach based upon charges of incompetence, immorality, or neglect of duty.

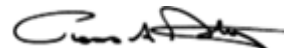
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Attorney General's Office
Office of the State Courts Administrator



Julie Morff
Director
January 31, 2024



Ross Strobe
Assistant Director
January 31, 2024