

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3536S.02C  
 Bill No.: SCS for SB 819  
 Subject: Education, Elementary and Secondary; Department of Elementary and Secondary Education; Law Enforcement Officers and Agencies; County Government  
 Type: Original  
 Date: April 2, 2024

Bill Summary: This proposal repeals and establishes provisions relating to participation of certain students in nontraditional educational settings.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
<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 2025	FY 2026	FY 2027
<b>Total Estimated Net Effect on <u>Other State Funds</u></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 2025</b>	<b>FY 2026</b>	<b>FY 2027</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 2025</b>	<b>FY 2026</b>	<b>FY 2027</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 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Local Government</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

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

In response to a previous version, officials from the **Office of the State Treasurer** and the **Office of the State Courts Administrator** both assumed the proposal will have no fiscal impact on their organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Officials from the **Office of Administration - Budget and Planning** did not respond to **Oversight's** request for fiscal impact for this proposal.

Officials from the **Phelps County Sheriff's Office** and the **St. Louis County Police Department** assume the proposal will have no fiscal impact on their organizations.

In response to a previous version, officials from the **Kansas City Police Department** and the **Branson Police Department** both assumed the proposal will have no fiscal impact on their organization.

### 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.

**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 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
<b>SCHOOL DISTRICTS</b>			
<u>Loss of Revenue</u> - prohibition of participation in a statewide activities association - §167.790	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Cost</u> - administrative cost to track and determine eligibility - §167.790	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<b>ESTIMATED NET EFFECT TO SCHOOL DISTRICTS</b>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This act repeals and establishes provisions relating to participation of certain students in nontraditional educational settings.

PARTICIPATION IN PUBLIC SCHOOL ACTIVITIES (Section 167.790)

The act provides that a school district shall not be a member of, or remit any funds to, a statewide activities association that prohibits a student receiving instruction at a home school or a full-time virtual school from participating in any event or activity offered by the school district in which the student resides or that requires such students to take any class at a public school in order to participate in such event or activity. The act further provides that a school district shall not prohibit a student receiving instruction at a home school or a full-time virtual school from participating in any event or activity offered by the school district in which such student resides or require such student to take any class in order to participate in such event or activity.

A school district may establish an attendance policy for any rehearsals, practice sessions, or training sessions that are directly related to and required for participation in an event or activity. A school district may also require students to participate in components of instruction that are required for participation in fine arts activities, career and technical student organizations, or integrated cocurricular activities.

A statewide activities association shall not prohibit any member school district from participating in any event with a school that is not a member of the association.

Any school disciplinary policies and attendance policies shall be applied in the same manner to all students who participate in an event or activity. A school district shall not establish a separate disciplinary or attendance policy for students who receive instruction at a home school or a full-time virtual school.

If a student whose academic performance or disciplinary status would preclude such student from eligibility to participate in extracurricular events or activities in the resident school district disenrolls from such school district in order to receive instruction at a home school or a full-time virtual school, such student shall not be eligible to participate in public school events or activities in the district of such student's disenrollment for twelve calendar months from the date of disenrollment.

The parent of a home school student shall oversee any academic standards relating to such student's participation in a public school event or activity.

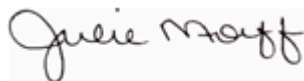
Any records created pertaining to a home school student, or a full-time virtual school student shall be made confidential.

The act outlines certain criteria that home school and virtual school students shall satisfy in order to be eligible to participate in public school activities in their district of residence. Such students shall provide proof of residency in the district in which they wish to participate in public school activities. They shall also adhere to the same behavior, responsibility, performance, and code conduct standards as do students who are enrolled in the district.

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  
Office of the State Treasurer  
Missouri Office of Prosecution Services  
Office of the State Courts Administrator  
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  
Phelps County Sheriff  
Branson Police Department  
Kansas City Police Department  
St. Louis County Police Department



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