

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0088S.03I  
Bill No.: SB 56  
Subject: Attorney General; Education, Elementary and Secondary; Department of  
Elementary and Secondary Education; Liability  
Type: Original  
Date: February 9, 2025

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Bill Summary: This proposal prohibits diversity-equity-inclusion requirements in school districts and charter schools.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<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 2026</b>	<b>FY 2027</b>	<b>FY 2028</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 2026</b>	<b>FY 2027</b>	<b>FY 2028</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 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Local Government</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

\***Oversight** assumes public schools and charter schools will bear the cost of any litigation or judgment. Oversight will range the fiscal impact to public schools and charter schools from \$0 to an unknown cost for damages and court costs.

**FISCAL ANALYSIS**

**ASSUMPTION**

**162.1550 - Prohibits diversity-equity-inclusion requirements in school districts and charter schools.**

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

**Oversight** does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

**Oversight** notes that this provision may prompt a cause of action against public schools and charter schools for violations of this proposal. Oversight assumes public schools and charter schools will bear the cost of any litigation or judgment. Oversight will range the fiscal impact to public schools and charter schools from \$0 (does not increase litigation) to an unknown cost for damages and court costs.

Officials from the **Department of Elementary and Secondary Education, Office of the State Public Defender, Missouri Office of Prosecution Services,** and the **Office of State Courts Administrator** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>SCHOOL DISTRICTS</b>			
<u>Cost – school districts – Legal Fees</u>	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>NET EFFECT ON SCHOOLS AND DISTRICTS</b>	<b><u>\$0 to (Unknown)</u></b>	<b><u>\$0 to (Unknown)</u></b>	<b><u>\$0 to (Unknown)</u></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 establishes provisions relating to diversity-equity-inclusion requirements in school districts and charter schools. The act defines diversity-equity-inclusion or "DEI" as education or training requirements, policies, or programs on the subjects of antiracism, implicit bias, or any other related instructions that promote differential treatment based on race, gender, religion, ethnicity, and sexual preference, but not including instruction on state and federal laws prohibiting discrimination.

The act prohibits school districts and charter schools from requiring students, employees, and prospective employees to ascribe to, study, be instructed with, or answer questions relating to DEI, as set forth in the act. The act further prohibits school districts and charter schools from offering any student, employee, or prospective employee any incentive, benefit, grant, or other compensation for receiving any instruction or professional development relating to DEI, except in cases where the same incentive, benefit, grant, or compensation is equally available to individuals who are not involved in the DEI instruction or professional development. A school district or charter school shall not reward or give any advantage to any employee or job applicant for any statement advocating DEI ideologies in employment-related decisions. Finally, employees, contractors, volunteers, vendors, or agents of a school district or charter school shall not be required to ascribe to, study, or be instructed with DEI ideologies or materials.

The Attorney General or the prosecuting or circuit attorney in the county in which a violation of the act occurs may bring a cause of action against any school district or charter school that violates the act. An attorney acting on behalf of a school district or charter school may request an opinion of the Attorney General as to whether a particular training material or instructional or curricular material complies with the provisions of the act. A parent of a student enrolled in a school district or charter school may bring a civil action, including an action for injunctive relief or for damages, against the school district or charter school for any violation of the act that causes harm to such parent's child.

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

Attorney General's Office  
Department of Elementary and Secondary Education  
Office of the State Public Defender

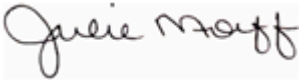
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Missouri Office of Prosecution Services  
Office of the State Courts Administrator



Julie Morff  
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February 9, 2025



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February 9, 2025