

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0514S.03P
Bill No.: Perfected SS for SB 63
Subject: County Government; Education, Elementary and Secondary; Department of
Elementary and Secondary Education
Type: Original
Date: February 25, 2025

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

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
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 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
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 2026	FY 2027	FY 2028
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Section 167.790 – Statewide Activities Association

Officials from the **Department of Elementary and Secondary Education (DESE)** assumed 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.

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.

Repeal of Section 167.042 Declarations of Intent to Home School

Officials from the **Department of Elementary and Secondary Education** assumed 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.

In response to similar legislation HB 1672 (2024), officials from the **Mississippi County Recorder's Office** assumed the proposal will have no fiscal impact on their organization.

Oversight notes the proposal removes the annual reporting requirement for home schooled children. Oversight is uncertain how many recorders of deeds charge a service cost for notices filed but assumes this proposal could reduce the number of notices filed. Therefore, Oversight will reflect a \$0 (no fee charged for noticed filed) to an unknown loss to county recorders.

Senate Amendment 1

Oversight assumes this amendment will have no fiscal impact on the underlying bill.

Senate Amendment 2

Oversight assumes this amendment adds charter schools to section 167.790.

Senate Amendment 3

Oversight assumes this amendment will have no fiscal impact on the underlying bill.

Oversight received no responses from school districts or county recorders 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 and county recorders 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 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
LOCAL POLITICAL SUBDIVISIONS			
<u>Loss of Revenue</u> – County Recorders – no longer charging a service cost of \$1 for notices filed (the bill removes the annual requirement) - §167.042	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Loss of Revenue</u> – School Districts and Charter Schools - prohibition of participation in a statewide activities association - §167.790	\$0 or (Unknown)	\$0 or (Unknown)	§\$0 or (Unknown)
<u>Cost</u> – School Districts and Charter Schools - administrative cost to track and determine eligibility - §167.790	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	\$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

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

DECLARATIONS OF INTENT TO HOME SCHOOL (Section 167.042)

The act repeals a provision authorizing parents to submit a written declaration of intent to home school their child to the recorder of deeds of the county where the child legally resides or to the superintendent of the public school district where the child legally resides.

PARTICIPATION IN PUBLIC SCHOOL ACTIVITIES (Section 167.790)

The act provides that a school district or charter school shall not be a member of, or remit any funds to, a statewide activities association that prohibits a student receiving instruction at a Family Paced Education school or "FPE school", as such term is defined in current law, a home school, or a full-time virtual school from participating in any event or activity offered by the charter school or by the school district in which the student resides or that requires such students to take any class at a charter school or public school in order to participate in such event or

activity. The act further provides that a school district or charter school shall not prohibit such a student from participating in any event or activity offered by the charter school or 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 or charter school may establish an attendance policy for any required coursework, rehearsals, practice sessions, or training sessions that are directly related to and required for participation in an event or activity. A school district or charter school 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 or charter school 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 or charter school shall not establish a separate disciplinary or attendance policy for students who receive instruction at an FPE school, 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 his charter school or resident school district disenrolls from such charter school or school district in order to receive instruction at an FPE school, a home school, or a full-time virtual school, such student shall not be eligible to participate in charter school or public school events or activities in the charter school or school district of such student's disenrollment for twelve calendar months from the date of disenrollment.

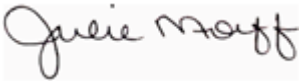
The parent of a home school student shall oversee any academic standards relating to such student's participation in a charter school or public school event or activity.

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

The act outlines certain criteria that FPE school, home school, and virtual school students shall satisfy in order to be eligible to participate in charter school or public school activities in their district of residence. For example, such students shall provide proof of residency in the district or within the boundaries of the attendance center or charter school in which they wish to participate in charter school or public school activities. They shall also adhere to the same behavior, responsibility, performance related to the activity, and code conduct standards as do students who are enrolled in the charter school or school district.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
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
Mississippi County Recorder of Deeds



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February 25, 2025



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