

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0514S.15T
Bill No.: Truly Agreed to and Finally Passed CCS for HCS for SS for SB 63
Subject: Children and Minors; County Government; Drugs and Controlled Substances;
Elementary and Secondary Education; Department of Elementary and Secondary
Education; Mental Health
Type: Original
Date: June 23, 2025

Bill Summary: This proposal creates and modifies provisions relating to the 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*	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

*Unknown savings from no longer paying membership dues if prohibited from participating in a statewide activities' association to unknown loss of revenue if no longer hosting events associated with a statewide activities' association.

FISCAL ANALYSIS

ASSUMPTION

§§167.012 & 167.013 - FPE and Homeschool Procedures

In response to similar legislation, HCS for 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 following number of Misdemeanor Charges with Guilty Dispositions for violations of section 167.031 for the last three years:

- FY 2024 – 84
- FY 2023 – 56
- FY 2022 – 45

Section 167.042 - Declarations of Intent to Home School

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.

Officials from the **Office of Administration – Budget & Planning** assume section 167.042 removes a provision for which the local recorder of deeds may charge no more than \$1. This does not affect TSR, but may impact local calculation under Article X, Section 18(e) by an unknown amount.

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.

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.

Responses regarding the proposed legislation as a whole

Officials from the **Department of Mental Health, Department of Elementary and Secondary Education, Missouri Office of Prosecution Services, Office of the Secretary of State, Joint Committee on Administrative Rules, Office of the State Courts Administrator, Department of Higher Education and Workforce Development** and the **Department of Public Safety – Alcohol and Tobacco Control** each 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 this agency.

Oversight received no 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 approval to publish a new fiscal note. Oversight only reflects the responses received from state agencies and political subdivisions; however, 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 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>Savings</u> – prohibition of participation in a statewide activities association (no member fee being paid) §160.790	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<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 p.4	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Loss of Revenue</u> – School Districts and Charter Schools – no longer hosting competitions, concession sales - §167.790 p.4-5	\$0 or (Unknown)	\$0 or (Unknown)	§\$0 or (Unknown)
<u>Costs</u> – School Districts and Charter Schools - administrative cost to track and determine eligibility - §167.790 p.4-5	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (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 creates and modifies provisions relating to the participation of certain students in nontraditional educational settings.

FPE SCHOOL STUDENTS (Section 167.013)

The act specifies that a family paced education or "FPE" school may enroll children who participate in the Missouri Empowerment Scholarship Accounts Program without being required to submit to a background check, rather than simply enrolling students who participate in such program.

DECLARATIONS OF INTENT TO HOME SCHOOL (Section 167.042)

Current law authorizes 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.

Under this act, if a parent makes a written notification of their intent to pursue other educational options for their child and requests that their child be dropped from the rolls in the child's resident school district, the school shall comply with the request and remove the child from the rolls promptly.

PARTICIPATION IN PUBLIC SCHOOL ACTIVITIES (Section 167.790)

The act provides that a school district or charter school shall not prohibit a student receiving instruction at an FPE school, home school, or full-time virtual school from participating, contingent upon the successful completion of a tryout if applicable, in any event or activity offered by the charter school or by the school district in which the student resides; nor shall such students be required to take any class in order to try out for and, contingent upon successful completion of a tryout if applicable, participate in an event or activity. Additionally, a school district or charter school shall not be a member of, or remit any funds to, any statewide activities association that would cause such school district or charter school to violate the act.

A school district or charter school may 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 school district or charter school may also 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 establish a disciplinary or attendance policy for any required coursework, rehearsals, practice sessions, or training sessions that are directly related to and required for participating in an event or activity.

Any school disciplinary policies and attendance policies shall be applied in the same manner to all students who participate in or try out for 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 the student's charter school or resident school district disenrolls from such charter school or school district in order to receive instruction at an FPE school, home school, or 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 12 calendar months from the date of disenrollment.

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

The act outlines certain criteria that FPE school, home school, and virtual school students shall satisfy in order to be eligible to try out for and, contingent upon the successful completion of a tryout if applicable, participate in charter school or public school activities in their school 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, and code conduct standards directly related to the event or activity as do students who are enrolled in the charter school or school district.

Any records created or retained by a charter school, school district, or attendance center under this act shall not be disclosed except as required by law.

As used in the act, the term "event or activity" shall not be construed to include other extracurricular gatherings or special occasions sponsored, organized, or provided for students that are not athletics, fine arts activities, integrated cocurricular activities, or other occurrences directly related to athletics, fine arts activities, or integrated cocurricular activities. No charter school, school district, or attendance center shall be required to establish or prohibited from a establishing a policy that includes or excludes the participation of FPE school, home school, or full-time virtual school students from such other extracurricular gatherings.

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
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
Missouri Office of Prosecution Services


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Department of Social Services
Office of Administration - Budget and Planning
Concordia R-II
Department of Mental Health
Office of the Secretary of State
Joint Committee on Administrative Rules



Julie Morff
Director
June 23, 2025



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June 23, 2025