

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0954S.01I
Bill No.: SB 276
Subject: Education, Elementary and Secondary; Department of Elementary and Secondary
Education; Liability; Libraries and Archives
Type: Original
Date: March 3, 2025

Bill Summary: This proposal creates and modifies provisions relating to access to
pornographic materials.

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)

*Oversight notes cost to school districts for implementation of policies, possibly development/software for digital library catalog, additional administrative duties, staff time to review disputes/challenges on age-appropriate content, and potential civil litigation.

FISCAL ANALYSIS

ASSUMPTION

Sections 182-825, 182.826, and 182.827

Officials from the **Department of Elementary and Secondary Education, Office of the State Public Defender, Office of the State Courts Administrator, and Missouri Office of Prosecution Services** 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.

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.

Officials from the **Rolling Hills Consolidate Library** assume after reading this bill, it is unclear whether this applies only to schools and school libraries or also to public libraries. Public libraries are listed in the first part when defining digital library materials but are not listed in later sections.

Schools and libraries should not have to expend funds to answer challenges from those who are not taxpayers in their districts. Each challenge can cost hundreds of dollars in time and effort spent reviewing and then following up with the concerns listed.

There is a major fiscal impact in that the school or library would have to carry additional insurance for directors and officers to pay any civil judgements awarded, in addition to the legal fees incurred.

It is estimated that this bill would cost the library at least an additional \$50,000 per year in staff costs and insurance premiums, which could escalate to include any court costs and judgements awarded.

Officials from the **Mid-Continent Public Library** assume the proposal will have no fiscal impact on their organization.

Oversight notes section 182.826.1 states a public elementary or secondary school, including a public charter school, shall post on its website the names of all books required for any students of such school and provide parents of students enrolled in the school access to the school's digital

library catalog. Oversight is unable to determine how many, if any, schools will be able to meet the requirements of this provision. Therefore, Oversight will reflect a zero (already established website, catalog, and collected data) or unknown cost to schools in the fiscal note.

Oversight notes section 182.826.2 states each school district and charter school shall adopt a written educational materials challenge policy that is easily accessible to the public and which allows any individual to dispute or challenge the school district's assignment of any books based on age-appropriate content. Oversight notes this is not limited to parents of students so schools may receive high volumes of disputes from individuals without primary interest.

Oversight assumes this would result in additional costs to schools for the following: development of new policy, staff time to review and follow up with disputes or challenges, and disclosure of results through their website. Oversight is unable to determine the individual needs for each district. Therefore, Oversight will reflect a zero or unknown cost in the fiscal note to school districts.

Oversight notes section 182.826.3 states a student's parent may bring a civil action, including an action for injunctive relief or for damages, against any school board member, charter school governing body member, or other school official, including library personnel, for a violation of this act that occurs as a result of gross negligence or willful and wanton misconduct, as provided in the act. Therefore, Oversight will reflect a zero (no litigation) or unknown cost to school districts in the fiscal note.

Oversight notes section 182.827 requires public schools and public libraries equip the computer or digital library catalog with software that will limit minors' ability to gain access to material that is pornographic for minors or purchase internet connectivity from an internet service provider that provides filter services to limit access to material that is pornographic for minors. Oversight is unable to determine the individual needs for each district or public library. Therefore, Oversight will reflect a zero (in compliance) or unknown cost to schools and public libraries to implement this provision.

Oversight did not receive any 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, 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>Cost</u> – School districts - implementation of various provisions within the proposal	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Cost</u> – Public Libraries - implementation of various provisions within the proposal	\$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

Currently, public schools and public libraries are required to take certain actions to prevent minors from accessing pornographic materials on a public access computer. This act adds charter schools and digital library catalogs to these provisions of law.

The act defines a "digital library catalog" as an electronic database, application, or website that lists the materials in a public school, charter school, or public library and allows users to search for them, including, but not limited to, books, electronic books, periodicals, and multimedia content, including, but not limited to, images, audio, and videos.

A public school or charter school shall post on its website the names of all books required for students and provide parents access to the school's digital library catalog. In addition, each school district and charter school shall adopt a written educational material challenge policy that

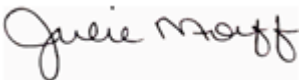
allows any individual to dispute or challenge the district's or school's age-appropriate designation assigned to any book, material, or display in the district or school.

A student's parent may bring a civil action, including an action for injunctive relief or for damages, against any school board member, charter school governing body member, or other school official, including library personnel, for a violation of this act that occurs as a result of gross negligence or willful and wanton misconduct, as provided in the act.

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
Missouri Office of Prosecution Services
Office of the State Courts Administrator
Mid-Continent Public Library
Rolling Hills Consolidated Library



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March 3, 2025



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