

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1382S.06T  
Bill No.: Truly Agreed To and Finally Passed CCS for HCS for SS for SB 160  
Subject: Children and Minors; Civil Rights; Crimes and Punishment; Elementary and Secondary Education; Higher Education; Department of Elementary and Secondary Education; Emergencies; Department of Higher Education and Workforce Development; Law Enforcement Officers and Agencies; Liability; Teachers; Victims of Crime  
Type: Original  
Date: June 25, 2025

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Bill Summary: This proposal establishes provisions relating to educational institutions.

**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>
General Revenue*	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

\*Oversight notes §173.1556.2 allows aggrieved persons to assert a violation or threatened violation as a claim in a judicial proceeding. Oversight assumes it is possible for lawsuits against state institutions paid from the Legal Expense Fund to reach the \$250,000 threshold.

<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>
Other State***	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Legal Expense Fund*	\$0	\$0	\$0
Colleges and Universities**	(Unknown)	(Unknown)	(Unknown)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

Numbers within parentheses: () indicate costs or losses.

\*Transfers in and distributions net to zero.

\*\* This proposal allows other universities to confer degrees currently conferred only by the University of Missouri (UM). It is assumed if other universities decide to offer degrees in programs currently only conferred by UM that the administrative costs could exceed \$250,000 annually and that revenue (tuition and fees) would move from one university to another and would net to \$0.

\*\*\*Oversight assumes it is possible for lawsuits against state institutions paid from the Legal Expense Fund to reach the \$250,000 threshold.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Federal Funds*	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

\* Oversight assumes it is possible for lawsuits against state institutions paid from the Legal Expense Fund to reach the \$250,000 threshold.

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
<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>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
<b>Local Government</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

\*Oversight assumes there could be a potential increase in claims against the community colleges which would increase litigation.

## **FISCAL ANALYSIS**

### **ASSUMPTION**

#### **§160.082 - Missouri CROWN Act**

Officials from the **Department of Labor and Industrial Relations** 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.

In response similar legislation, HB 1900 (2024), officials from the **King City R-1 School District** and **Cabool R-IV School District** both assumed the proposal will have no fiscal impact on their organization.

In response to a similar proposal, HB 361 (2023), officials from the **Gordon Parks Elementary Charter School** assumed the proposal will have no fiscal impact on their organization.

In response to a similar proposal, HB 503 (2021), officials from the **High Point R-III School District** assumed the proposal would have no fiscal impact on their organization.

**Oversight** does not anticipate a fiscal impact to school districts; however, Oversight received a limited number of responses from school districts related to the fiscal impact of this proposal.

#### **§§172.280 & 174.160 – Authority to Confer Degrees at Colleges/Universities**

Officials from the **University of Missouri System (UM)** stated the fiscal impact of language enabling MSU to offer research doctorates and/or bachelor's degrees in veterinary technology is unknown but could exceed \$250,000.

In response to similar legislation, SB 11 (2025), officials from the **UM** stated the fiscal impact on the UM System is difficult to predict but could be significant. It is reasonable to believe that starting new PhD programs, professional degrees, and engineering degrees will significantly increase expenditures at other institutions. These cost increases would require a significant increase in state funding for these institutions, causing a corresponding loss of state funding to the UM System and its four universities.

**Oversight** assumes UM could experience a negative fiscal impact as a result of this proposal since students could opt to attend another university to obtain their desired degree and that other universities in Missouri would incur additional administrative expenses starting up/adding new programs. The administrative expenses may or may not be offset by an increase in enrollment. Therefore, for fiscal note purposes, Oversight assumes this proposal will have a \$0 to unknown negative fiscal impact on universities.

In addition, the net effect on tuition/fees lost by UM and received by other universities will not be significantly different. Lastly, Oversight assumes the impact could be greater than \$250,000 if even one university decided to create a new graduate, professional and/or engineering program at their institution. Oversight will range the impact from \$0 to an unknown amount.

In response to similar legislation, SB 11 (2025), officials from **Southeast Missouri State University** assumed there is the potential for a likely positive impact on Southeast Missouri State University.

§§173.1555 and 173.1556 – Prohibits Public Institutions of Higher Education from Discriminating Against Religious Student Associations or Denying any Benefit Available to Other Student Associations

Officials from the **Office of Administration** assume §§173.1555 - 173.1556 have the potential to increase costs to the state Legal Expense Fund (LEF) for actions alleging violation of this provision against a public institution of postsecondary education or a state employee in connection with their official duties on behalf of the state. This change will be subject to judicial construction; therefore, the cost impact to the state is unknown.

**Oversight** notes responding colleges or universities have stated the proposal would not have a direct fiscal impact on their respective organizations. However, Oversight assumes there could be an impact from potential litigation. Oversight will show a range of impact of \$0 (no increase in claims) to an unknown cost to colleges and universities from an increase in claims that are submitted to the Legal Expense Fund for payment.

**Oversight** notes, based on data provided by the Office of Administration - Risk Management (OARM), there were no discrimination claims paid during FY 2024 or FY 2023. In FY 2021, there was approximately \$20,946 paid by the LEF in discrimination claims (4 discrimination claims/\$20,946 = \$5,200 paid per claim). Based on the fact that no discrimination claims were paid during the prior two fiscal year, it is assumed the provisions of this proposal would have no fiscal impact. However, **Oversight** assumes this proposal could result in an increase in claims against colleges and universities which could impact the Legal Expense Fund. Oversight also assumes it is possible for lawsuits paid by the LEF to exceed \$250,000.

Table I: Payment data **by type** of claim in FY 2024

<b>Type of Claim</b>	<b>Number of Claims</b>	<b>Cost of Claims</b>
Motor Vehicle	135	\$1,066,558
Dangerous Condition of Property	16	\$113,397
Employment	109	\$11,518,389
Sunshine Law Violation	7	\$280,951
Declaratory Judgment	3	\$142,309
Civil Rights	7	\$70,557
Administrative Agency	1	\$88,324
Equitable Relief	8	\$274,289
Inmate	31	\$10,146,532
Unconstitutional State Statute	2	\$99,033
Civil Judicial Action	3	\$261,084
Statutory/Ballot Challenge	7	\$162,480
Class Action Lawsuit	1	\$134,246
Tort	20	\$370,429
Injunctive Relief	2	\$9,080
Amendment Violation	2	\$121,380
Writ of Prohibition	1	102,446
Attorney Fees	1	\$38,289
Medical Malpractice	8	\$997,360
STL & KC Police	1	\$1,000,000
<b>Totals</b>	365	\$26,997,132

Source - OARM

**Oversight** notes most LEF costs are reimbursed from the General Revenue Fund (GR). GR has paid for the majority of payments from the LEF since payments on LEF cases for agencies with designated reimbursable funds have been relatively small. According to the OARM, broader budget authority to transfer from Federal and Other Funds beginning in FY 18 allowed for an increase of percentage of payments from Federal and Other Funds. Table II below shows LEF costs broken down for GR versus Federal Funds/Other Funds.

Table II: Legal Expense Fund payments from GR and Fed/Other

	<b>GR</b>	<b>Fed/Other</b>	<b>Total</b>	<b>GR %</b>	<b>Fed/Other %</b>
<b>FY 15</b>	\$9,197,461	\$661,555	\$9,859,016	93%	7%
<b>FY 16</b>	\$11,386,339	\$600,489	\$11,986,828	95%	5%
<b>FY 17</b>	\$19,983,784	\$4,217,582	\$24,201,366	83%	17%
<b>FY 18</b>	\$18,625,000	\$9,649,513	\$28,274,513	66%	34%
<b>FY 19</b>	\$23,542,940	\$692,718	\$24,234,953	97%	3%
<b>FY 20</b>	\$9,026,829	\$1,128,397	\$10,155,227	89%	11%
<b>FY 21</b>	\$5,427,292	\$446,485	\$5,873,777	92%	8%
<b>FY 22</b>	\$11,972,573	\$871,644	\$12,844,218	93%	7%
<b>FY 23</b>	\$24,409,567	\$535,699	\$24,945,265	98%	2%
<b>FY 24</b>	\$25,936,222	\$1,060,910	\$26,997,132	96%	4%
<b>Total</b>	\$159,508,007	\$19,864,992	\$179,372,295	89%	11%

Source: Office of Administration – Risk Management

**Oversight** notes the cost of any potential liability would be entirely dependent on the number of claims and circumstances of the claims filed; therefore the cost is ultimately unknown. Oversight will show a range of impact of \$0 (no increase in claims) to an unknown cost to the Legal Expense Fund with a corresponding transfer-out from General Revenue, Federal Funds or Other State Funds.

#### §578.365 – Danny’s Law: Offense of Hazing

Officials from the **Department of Corrections (DOC)** stated there was only one guilty plea made under this section with a class A misdemeanor penalty in 2024. Therefore, the DOC expects no impact to the department with this change in legislation.

In response to similar legislation, SB 167 (2025), the **Office of the State Public Defender** assumed 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.

#### Responses Regarding the Proposed Legislation as a Whole

Officials from the **Office of the State Courts Administrator** assume there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

**Oversight** notes OSCA assumes this proposal may have some impact on their organization although it can't be quantified at this time. As OSCA is unable to provide additional information regarding the potential impact, Oversight assumes the proposed legislation will have a \$0 to (Unknown) cost to the General Revenue Fund. For fiscal note purposes, Oversight also assumes the impact will be under \$250,000 annually. If this assumption is incorrect, this would alter the fiscal impact as presented in this fiscal note. If additional information is received, Oversight will review it to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note.

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

**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 **Department of Elementary and Secondary Education, Office of Administration - Administrative Hearing Commission, Department of Public Safety - Missouri Highway Patrol, the Missouri Office of Prosecution Services, Department of Higher Education and Workforce Development, the University of Central Missouri, Northwest Missouri State University, Office of the Governor, Department of Labor and Industrial Relations, the Phelps County Sheriff's Department, Office of the Secretary of State, Joint Committee on Administrative Rules, the Kansas City Police Department, the St. Louis County Police Department, Missouri House of Representatives, and Missouri Senate** 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 the State Public Defender** did not respond to **Oversight's** request for fiscal impact for this proposal.

**Oversight** only reflects the responses received from state agencies and political subdivisions; however, other colleges, universities, and 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.

FISCAL IMPACT – State Government	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>GENERAL REVENUE</b>			
<u>Costs</u> - Potential increase in payments to Legal Expense Fund for increase in claims §§173.1555 and 173.1556 p.6	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Costs</u> – OSCA – increased caseload p.6	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>ESTIMATED NET EFFECT TO GENERAL REVENUE FUND</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>
<b>COLLEGES AND UNIVERSITIES</b>			
<u>Costs</u> – §§172.280 & 174.160 – Increased administrative costs p.6	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Costs</u> - §§173.1555 & 173.1556 Potential increase in claims p.6	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>ESTIMATED NET EFFECT ON COLLEGES AND UNIVERSITIES</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>
<b>OTHER STATE FUNDS</b>			
<u>Costs</u> - §§173.1555 and 173.1556 Potential increase in payments to Legal Expense Fund for increase in claims p.6	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>ESTIMATED NET EFFECT TO OTHER STATE FUNDS</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>
<b>LEGAL EXPENSE FUND (0692)</b>			
<u>Transfer In</u> - §§173.1555 and 173.155 From GR, Federal, and Other State Funds - potential increase in claims p.6	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown



<u>Transfer Out - §§173.1555 &amp; 173.1556</u> Payment of discrimination claims p.6	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>ESTIMATED NET EFFECT TO THE LEGAL EXPENSE FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>FEDERAL FUNDS</b>			
<u>Costs - §§173.1555 &amp; 173.1556</u> Potential increase in claims p.6	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>ESTIMATED NET EFFECT TO FEDERAL FUNDS</b>	<b><u>\$0 to (Unknown)</u></b>	<b><u>\$0 to (Unknown)</u></b>	<b><u>\$0 to (Unknown)</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Costs – §§173.1555 &amp; 173.1556</u> Community Colleges - Potential increase in claims p.6	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</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 educational institutions.

#### PROTECTIVE HAIRSTYLES IN EDUCATIONAL INSTITUTIONS (Section 160.082)

The act creates the "Missouri Creating a Respectful and Open World for Natural Hair (Missouri CROWN) Act", which governs discriminatory practices in elementary and secondary educational institutions as they relate to protective hairstyles. An "educational institution" is defined as including any public or private prekindergarten program, public or private elementary or secondary school, charter school, or public or private school board, charter school governing board, or other school administrative body.

Under the act, educational institutions that receive state financial assistance or enroll students who receive state financial aid shall not discriminate based on a person's hair texture or protective hairstyle if it is commonly associated with a particular race or origin. However, educational institutions may require hair nets, coverings, or secured hair for safety reasons in career and technical training courses, as needed to meet safety regulations. This provision shall not apply to an educational institution that is controlled by a religious organization if the application of such provision would not be consistent with the religious tenets of that organization.

#### AUTHORITY TO CONFER DEGREES (Sections 172.280 and 174.160)

This act authorizes Missouri State University to grant Doctor of Philosophy degrees in disciplines other than engineering and to grant Bachelor of Science degrees in veterinary technology.

#### STUDENT ASSOCIATIONS AT PUBLIC INSTITUTIONS OF HIGHER LEARNING (Sections 173.1555 and 173.1556)

This act prohibits public institutions of higher learning, such as state colleges, community colleges, and technical schools, from taking adverse action against a student association because of the association's beliefs or the actions of its leaders. Specifically, these institutions shall not deny a belief-based student association, such as a political, ideological, or religious association, any benefits that are available to other student groups, including access to campus facilities and communication channels. A belief-based student association shall be responsible for defining its own mission, beliefs, and conduct standards. A belief-based student association may seek relief in a judicial or administrative proceeding against an institution that violates the provisions of the act.

The provisions of this act shall not apply to a belief-based student association if there is substantial evidence that such association's viewpoint or expression of the viewpoint would materially and substantially disrupt the educational environment or interfere with the rights of others, in accordance with the U.S. Supreme Court's decision in *Healy v. James* (1972).

#### DANNY'S LAW: OFFENSE OF HAZING (Section 578.365)

This act provides that the offense of hazing shall be known as "Danny's Law" and provides that a person is guilty of the offense of hazing if a person knowingly, actively, and not under duress participates in, solicits another person to participate in, or causes or plans a willful act that endangers a student or certain members of organizations under the sanction of a public or private college or university.

This act provides that a person shall not be guilty of the offense of hazing if the person establishes that he or she:

- Was present at the event where hazing occurred and a person was in need of immediate medical assistance;
- Was the first person to call 911 or campus security to report the need for medical attention;
- Provided the relevant information to the 911 operator or campus security; and
- Remained at the scene until medical assistance arrived and cooperated with such assistance.
- Additionally, this act provides that a person shall be immune from prosecution if the person can establish he or she rendered aid to the hazing victim before assistance arrived.

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 Administration - Administrative Hearing Commission

Department of Higher Education and Workforce Development

Department of Labor and Industrial Relations

Office of Administration

Missouri House of Representatives

Missouri Senate

Office of the Secretary of State

Joint Committee on Administrative Rules

Office of the Governor

Missouri Department of Transportation

University of Missouri System

Northwest Missouri State University

L.R. No. 1382S.06T

Bill No. Truly Agreed To and Finally Passed CCS for HCS for SS for SB 160

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University of Central Missouri  
Office of the State Courts Administrator  
Office of the Secretary of State  
Joint Committee on Administrative Rules



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June 25, 2025



Jessica Harris  
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June 25, 2025