

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4698S.02C
 Bill No.: SCS for SB Nos. 971 & 906
 Subject: Children and Minors; Disabilities; Elementary and Secondary Education;
 Department of Elementary and Secondary Education
 Type: Original
 Date: March 2, 2026

Bill Summary: This proposal establishes provisions relating to student transfers to nonresident districts.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2030)
General Revenue*	(\$1,271,214)	(\$260,599)	More or less than (\$541,387)	More or less than (\$552,729)
Total Estimated Net Effect on General Revenue	(\$1,271,214)	(\$260,599)	More or less than (\$541,387)	More or less than (\$552,729)

*The amount of fiscal impact to the state starting in FY 2029 depends upon the number of students that apply and are accepted to transfer to a different school district (beginning in FY 2029) and whether DESE withholds state aid for transfer improprieties (beginning in FY 2030). Oversight notes a difference in state aid paid to separate school districts (ranges from under \$1,000 per student to over \$8,000 per student). Oversight notes there is an unknown cost for appropriating funds to the Parent Public School Choice Fund (if appropriated). Additionally, the penalty provision could result in a savings to General Revenue that could exceed \$250,000 if funds are withheld. Therefore, Oversight assumes the net impact to General Revenue could be more or less than the costs estimated for other provisions in this proposal.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2030)
Parent Public School Choice Fund*	\$0	\$0	\$0	\$0
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0	\$0

*For simplicity, Oversight assumes all funds will be used within the year they are received. Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2030)
Total Estimated Net Effect on All Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2030)
General Revenue	0 FTE	0 FTE	2 FTE	2 FTE
Total Estimated Net Effect on FTE	0 FTE	0 FTE	2 FTE	2 FTE

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 2027	FY 2028	FY 2029	Fully Implemented (FY 2030)
Local Government*	\$0	\$0	Unknown or (Unknown)	Unknown or (Unknown)

*Oversight cannot estimate the net impact to school districts. Oversight notes there will be additional state funding for non-resident transfers but also additional costs in the forms of transportation, special education services, and costs that occur with educating students. Conversely, there will be less state funding for resident districts but also additional savings in the forms of transportation, special education services, and savings that occur with no longer educating students.

FISCAL ANALYSIS

Officials from the **Office of the State Courts Administrator** and **Department of Corrections** did not respond to **Oversight's** request for fiscal impact for this proposal.

ASSUMPTION

§§167.1200 - 167.1230 - Public School Open Enrollment Act

Officials from the **Department of Elementary and Secondary Education** state:

§167.1200 creates the "Public School Open Enrollment Act".

§167.1205 establishes the public school open enrollment program which would require ITSD services for DESE to collect data from school districts that participate. These ITSD costs would include development of a new application to facilitate the application process for families and school districts. In addition, changes would need to be made to several of DESE's current systems including MOSIS/CORE Data and the foundation formula calculation. Requirements are included throughout the bill that would impact these changes.

§167.1210.4 could have an impact on the Transportation and Foundation formulas. These costs would be unknown as modifications to the transportation state aid calculation for non-resident students were not to be considered in the efficiency calculation. It is unknown if this can be completed in the current Annual Secretary of the Board Report (ASBR).

§167.1212 would create the "Parent Public School Choice Fund". The department would be required to evaluate the usage of funds, availability, and need for additional funds annually as part of the budget process. To assist with these duties, DESE would seek additional FTE through the appropriations process to meet the new requirements. The impact of this fund would be dependent on appropriation.

Duties and requirements for the department outlined throughout the legislation would require one director level FTE and one program specialist: one data steward within the Office of Quality Schools, and one within the Office of Quality Schools to assist with school finance, governance, and program management per §167.1212. These individuals would be responsible for ensuring the application process meets the requirements of the legislation, supporting school districts and families throughout the process, assisting with hearings when necessary, providing reporting as required, completing audit requirements and ensuring the program meets the requirements as outlined.

Officials from the **Office of Administration – Information Technology (ITSD)** assume DESE would need a new application for applications for public school open enrollment transfers and a search for transfers. This project would have to be prioritized by DESE to be worked among DESE's other projects, if it passes. DESE ODSM and DESE Data Governance will define all

data elements needed to be captured, provide those to ITSD, which will be used to establish the database table(s) and fields. DESE ODSM will also collect any historical information in a standard data layout, that aligns with the database/columns they define, compile all data from all districts and charters. Data is collected by MOSIS/CORE DATA and then processed through to be stored securely like other data collected by DESE. DESE ODSM and DESE Data Governance will define all data elements needed to be captured, provide those to ITSD, which will be used to establish the database table(s) and fields.

The Annual Performance Report (APR)/ Report Card would be affected as it's generated annually by ITSD-DESE for DESE's review and publishing of districts performance. It is assumed the APR and Report Card data processes (ETL's) which are executed manually each APR cycle will be affected. Also, there is an assumption the databases and would require some modifications.

Assuming the ASBR/Payment Manager/Payment Transmittal applications may need modified for the provisions in the bill. The ASBR/Payment Manager/Payment Transmittal applications are used for payments today. The ASBR/Payment Manager/Payment Transmittal is the applications are where these calculations are contained. It's assumed the ASBR/ Payment Manager/Payment Transmittal application and databases and source code can withstand the described requirement changes and the scope of changes are limited to the revisions in the proposal.

Oversight notes ITSD changes may need to be established prior to the implementation of the proposal. Therefore, Oversight will reflect the cost as estimated by ITSD starting in FY 2027 for the changes required and new application.

In response to similar legislation, HCS#2 for SS for SB 266 (2025), officials from the **Office of Administration - Budget and Planning** state §§167.1200-167.1230 establish the Public School Open Enrollment Act and the Public School Choice Fund. The General Revenue fund may be impacted to the extent that the General Assembly appropriates monies for this program.

Officials from **Sedalia 200 School District** assume this bill will likely require an additional administrative position as well as an administrative assistant to monitor, track, and coordinate the transfer processes. Average annual cost, depending on education and experience would exceed \$150,000 per annum.

Officials from the **Canton R-V School District** state:

- A 3% decrease in enrollment would equal a loss of (-\$120,540) in funding annually.
- A 5% decrease in enrollment would equal a loss of (-\$198,030) in funding annually.
- A 10% decrease in enrollment would equal a loss of (-\$387,450) in funding annually.

Officials from the **Joplin School District** state:

1) Enrollment data is from the publicly available 2025 October Core Data report on DESE's MCDS (Last Wednesday in September, count date)

2) Assumptions utilize the state projected State Adequacy Target of \$7,145 for 2025-2026 AND 2026-2027 School Year.

3) Assumptions utilize the state projected Prop C allocation of \$1,465 for the 2025-2026 school year.

% allowed	3%	5%	10%
# pupils	224	373	745
SAT: \$7,145	-\$1,600,480	-\$2,665,085	-\$5,323,025
Prop C: \$1,465	-\$328,160	-\$546,445	-\$1,091,425
Totals	-\$1,928,640	-\$3,211,530	-\$6,414,450

Officials from **Northeast Randolph Co. R-IV School District** states:

- At 3%, our district could lose up to 9 students and we would lose \$13,185 of Prop C revenue.
- At 5%, our district could lose up to 15 students and we would lose \$21,975 of Prop C revenue.
- At 10%, our district could lose up to 30 students and we would lose \$43,950 of Prop C revenue.

Officials from **Prairie Home R-V School District** state utilizing current SAT and Prop C levels, the impact of this proposal would be a loss of revenue of \$43,050 for Prairie Home R-V school district at a transfer rate of 3%. This would increase to \$68,880 at 5% and \$129,150 at 10%. The 5% loss in revenue would result in the immediate need to lower our amount of teaching staff by one due to budgetary constraints, but with a loss of 8 students, this would not lower our staffing needs.

Officials from the **Washington School District** assume the bill would allow non-resident student transfers through open enrollment, resulting in a direct loss of state funding tied to student enrollment. Based on current enrollment data and state funding assumptions, the projected fiscal impact to the School District of Washington would range from an estimated loss of \$895,440 to \$2,979,060 annually, depending on the percentage of students who transfer out of the district.

These estimates reflect losses in State Adequacy Target funding and Prop C revenue only and do not account for additional long-term financial impacts, including declining local support, increased operational instability, or potential enrollment fluctuations. Fixed costs such as staffing, transportation, and facilities would remain, limiting the district's ability to proportionally reduce expenses.

Sustained enrollment and funding losses of this magnitude could result in a reduction in force (RIF) of staff, decreased student opportunities and programming, and, over time, potential school closures within the School District of Washington.

In response to similar legislation, SCS for HCS for HB 711 (2025), officials from **Gasconade Co. R-I School District** assumed the following:

1. They receive \$2,343 per ADA from the state formula. Of that amount, \$621 comes from the Classroom Trust Fund. In addition, they receive \$1,198 from Prop C. This brings their total state aid to \$3,541 per student.
2. The district's average cost to educate a child is \$11,684. The state portion of their revenue covers only 30% of that cost. For every student who enrolls in the district without contributing to local assessments, the district must cover nearly 70% of their education costs.
3. This funding is simply not available without increasing local taxes. Plain and simple — the foundation formula is not designed, nor equipped, to support an open enrollment platform.

In response to similar legislation, SCS for HCS for HB 711 (2025), officials from **Exeter R-VI School District** assumed this bill creates incredible strain on districts of all sizes. Resources would be used to advertise school rather than on student learning. Resources from all schools would be spent on the application, acceptance, tracking, and rejecting students when they attempt to transfer.

Transportation would be a challenge to determine how to get students to school and who is responsible for it. Students that do not live in district would struggle to make it to school regularly. Exeter will probably benefit by adding students from surrounding districts.

Their school is very good at meeting each individual students where they are at with the needs that they have educationally, emotionally, and behaviorally. However, this bill has the potential to great transient populations where schools will have to try and figure out student needs are while they are missing out on valuable targeted instruction.

In response to similar legislation, SCS for HCS for HB 711 (2025), officials from the **Cape Girardeau Public Schools** assumed this proposal will have an on going impact on school financial stability. Potential loss of 3 percent. They could potentially lose approx. \$850,000 per year. It will have an overwhelming impact on additional programing and extracurricular activities. The reduction in staffing is hard to predict due to not knowing what grade levels or students who would be impacted.

In response to similar legislation, SCS for HCS for HB 711 (2025), officials from **Richland R-IV School District** assumed this bill could impact the district at various levels over the coming years with an estimate of an additional \$250,000 a year. As a district, they spend about \$12,000 per student with 40% of their revenue coming from their taxpayers. If they have up to 3% additional students per year that only join us at the SAT rate, our per-student spending could impact the district by about \$100,000 per year. In addition, added transportation costs due to a district our size and with the size of their neighboring district could add \$50,000 per year.

Additional staff shifts AND additional staff needs for marketing our district could add up to \$100,000 per year.

Officials from the **Bayless School District** state the following:

Operational Impact on Bayless

Because Bayless operates on formula, the district would lose both Foundation Formula and Prop C funding for each student who transfers out. Unlike fixed costs (utilities, transportation routes, staffing structures, debt service), these expenditures do not decrease proportionally when small percentages of students exit across multiple grade levels.

Even a 3% enrollment loss would result in nearly half a million dollars in recurring annual revenue reduction, with limited ability to reduce expenditures at the same rate.

At a 10% loss, the district would face over \$1.5 million in annual revenue reduction, requiring structural reductions that could include:

- Staff reductions or hiring freezes
- Program reductions (fine arts, career/technical, elective offerings, extracurriculars)
- Delayed curriculum and instructional investments
- Increased class sizes
- Slowed salary growth and workforce competitiveness in an already challenging hiring market with teacher shortages

Long-Term Financial Stability Concerns

This proposal would introduce enrollment volatility that:

- Complicates multi-year budgeting and CSIP implementation
- Requires higher operating reserves to manage unpredictability
- Potentially weakens community support for local tax efforts if students attend non-resident districts
- Creates competitive pressures that may redirect funds from instruction to recruitment and marketing

Open enrollment shifts funding away from the resident district while fixed costs remain, resulting in a disproportionate impact on the majority of students who stay.

Summary Statement

For Bayless School District, this proposal represents a projected recurring revenue loss ranging from \$456,330 to \$1,523,970 annually, depending on participation rates. These losses would require programmatic and staffing adjustments that could reduce educational opportunities for remaining students and introduce long-term financial instability.

In response to similar legislation, HB 711 (2025), officials from **Osage County R-I School District** assumed the current state adequacy target per student is \$6,650. Prop C per student is estimated at \$1,500 per WADA. Small School Revenue is estimated at \$275 and \$144 per ADA. They estimate that each student who would choose to be unenrolled would cost the district

\$8,569. The 3% cap as stated in the bill would be about 5 students. Therefore, the impact could lower revenue by \$42,845.

In response to similar legislation, HB 711 (2025), officials from **Lincoln R-II School District** stated the issue that doesn't get addressed is that if just the state foundation formula follows a student to a different public school district (about \$6,700 per student that has 100% attendance), this is less than half the total cost to education for that student (and that is if the student does not have an IEP or needs that require more resources). So, what Open Enrollment basically says is that the receiving district's local taxpayers would be required to cover the rest of the shortfall to educate that student. The average cost to educate a student in Missouri is \$15,915.

In response to similar legislation, SCS for HCS for HB 711 (2025), officials from the **Green Forest R-III School District** assumed each student that leaves the district would result in a reduction of \$4,264. They are a small K-8 with just under 160 students. If they were to lose just 5% of their student population they would be losing \$34,112 in state payments. This would result in a cut to staff and reduced services for the students in their building. Calculations were determined using their current payment information that can be found in the data portal on the DESE website. Their current WADA is 230 and they receive \$980,781 in basic formula monies. This equates to \$4,264 that they receive for each resident student.

In response to similar legislation, SCS for HCS for HB 711 (2025), officials from **Concordia R-II School District** assumed at a minimum will cost approximately \$15,000-20,000 per year for students who transfer out. For incoming transfers, the cost is more because the District's current non-resident tuition rate is \$14,816. If they accepted 13 nonresident students (or 3% of current estimated enrollment for the 25-26 school year), the District would receive \$192,608 which fully funds their education. However, this bill only provides for foundation formula funding of \$6,760 (at best) for students and that would be approximately \$87,880. That is not sufficient to ensure needed staffing as well as operating costs for an additional 13 students.

In response to similar legislation, SCS for HCS for HB 711 (2025), officials from **Parkway Schools** assumed the addition of each non-resident student would contribute a maximum of only \$734 to Parkway's state revenue. The district's funding is primarily reliant on local tax revenue. As a result, enrolling non-resident would increase costs that local tax revenue and local tax payers would bear, since the district's state funding is insufficient to fully meet the new non-resident per-pupil expenditures. Parkway would incur an estimate of \$12,999 expenses per non-resident enrolled student.

In response to similar legislation, HB 711 (2025), officials from **Pilot Grove C-4 School District** assumed the Pilot Grove C-4 School District could have the following negative fiscal impact. Currently their September membership shows a district enrollment of 200 students. If HB 711 passes and their district were to lose 3% of their current membership in the following school year due to students being able to leave and enroll in other non-resident districts this could mean 6 students leaving their school district. If Pilot Grove C-4 School District lost 3% or 6 total students; the cost would be roughly \$110,000 to \$120,000. This is the equivalent of

needing to cut at least 2 teachers from my staff of 29 teachers. This would result in a total annual operating budget loss of 3% for the Pilot Grove C-4 School District.

In response to similar legislation, HB 711 (2025), officials from **Republic R-III School District** assumed should the Republic School District choose to participate, they would have to hire an additional FTE to keep track of this whole process and what they have to do. Additionally, they believe their district would have to hire additional special education staff as families from smaller surrounding districts may want to have access to more services a larger district can provide. They believe Republic School's would need an additional \$250,000 in personnel if they said that they would participate. They also think that ALL districts across the state would be on the hook for transportation costs of students who do want to transfer. Therefore, even if they choose not to participate, they would still end up losing money in transportation the way the Bill reads.

Republic R-III also notes, this Bill is so complicated. Right now, DESE has a hard time servicing school districts and this increased work load looks enormous on their part. They don't see how one department at the state level who is already understaffed is going to keep all of this straight. After reading through the Bill, they would recommend to their Board that they not participate. In response to similar legislation, HCS for HB 253 (2023), officials from **North Pemiscot Co. R-I School District** stated there would be an impact but did not provide any additional information.

In response to similar legislation, HCS for HB 253 (2023), officials from the **Dallas County R-1 School District** stated the fiscal impact to local school districts would be drastic. While school districts have the option to opt in this program, they do not have the option to opt out of their families choosing another district and thereby losing that individual student's state aid. This alone could be a drastic financial loss to many districts in Missouri. The fiscal impact to districts gaining students and their state aid payments would also be drastic. The state aid does not cover the cost of facilities and it does not cover the full cost of educating a student. The remainder of those costs are made by local tax effort. As a district that would likely receive many students from other small districts, it would make it difficult in the future to pass referenda in their district when not all of their students are residents of the district. Additionally, this bill would force districts to hire additional staff and divert additional resources toward marketing of their district to (at minimum) balance the number of students lost to other districts with the number of students gained in the district. Finally, with many districts losing enrollment this would make them "hold harmless" under the current foundation formula. This would mean there is less money statewide to be able to support each student.

In response to similar legislation, HCS for HB 253 (2023), officials from the **Gordon Parks Elementary Charter School** stated this proposal may increase ADA funding and at the same time, may decrease enrollment and ADA funding.

In response to similar legislation, HB 543 (2021), officials from the **Kansas City School District** stated the cost of this bill is undeterminable until families make the election. The cost of

children in district moving out is greater than the cost for those receiving. Loss of local and state revenue for a pupil in KC is roughly \$9,000. Loss of a child or even two or three from a classroom does not allow the sending district to reduce costs of teachers, transportation, etc., causing the revenue hit to not be balanced with reduced expenditures. Holding up housing inside boundaries for children who attend a neighboring district eliminates the opportunity for traditional and charter schools to fill seats that provide adequate trailing revenues.

In response to similar legislation, HB 543 (2021), officials from the **Springfield Public Schools** estimated a cost of \$150,000 annually.

In response to similar legislation, HB 543 (2021), officials from the **Afton School District** assumed the proposal would fiscally impact their school district, but did not elaborate.

In response to similar legislation, HB 543 (2021), officials from **Malta Bend R-V School District** and **High Point R-III School District** each assumed the proposal would not fiscally impact their respective districts.

In response to similar legislation, HB 2310 (2020), officials from the **Shell Knob School District** assumed this would have a negative fiscal impact.

In response to similar legislation, HB 2310 (2020), officials from the **Wellsville- Middletown R-I School District** assumed this bill has the potential to have a substantial negative fiscal impact on Missouri public schools. It will make long range planning virtually useless if a school can't realistically predict its enrollment figures for the coming years due to the vagaries of this bill that would allow students to transfer with no usable notice to the districts.

Oversight notes this proposal allows students to transfer beginning in the 2028-2029 school year (FY 2029). Because DESE assumes the number of transfers cannot be estimated, and the amount of state funding is district specific (can vary from under \$1,000 per student to over \$8,000 per student, depending upon the school district), this note will reflect a potential Unknown cost (if students transfer into districts that receive more state aid) to an Unknown positive impact (if students generally transfer into districts that receive less state aid) for both general revenue and school districts. Oversight assumes that some districts would see a net negative direct fiscal impact, while others would see a net positive direct fiscal impact.

Oversight will reflect an \$0 to unknown appropriation from the General Revenue fund to the new Parent Public School Choice Fund (§167.1212.1) in FY 2029 (§167.1230.2 states the appropriate sections shall become effective July 1, 2028). Oversight assumes the funds will be used to reimburse parents and school districts for transportation costs. For simplicity, Oversight assumes all funds will be used within the year they are received.

Oversight will show cost estimated by DESE for two FTE along with associated benefits, and E&E costs to conduct audits and perform other duties required by the proposal. However,

Oversight notes no student shall participate in this proposal before July 1st 2028. Therefore, Oversight will reflect the cost of the FTE in 2029 as the proposed program would not start until FY 2029.

Oversight notes §167.1229.2 states DESE may withhold state aid payments for transfer improprieties identified in annual audits conducted by DESE. Oversight notes audits would not occur until the following school year after the proposal was implemented. Therefore, Oversight will show a range of impact of \$0 (no withholds) or an unknown savings to General Revenue in FY 2030.

Officials from the **Department of Mental Health, Department of Social Services, Missouri National Guard, Office of the State Treasurer, Office of Administration, Missouri House of Representatives, and Missouri Senate** 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 only reflects the responses that we have received from state agencies and political subdivisions; however, other school districts were requested to respond to this proposed legislation but did not. 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. A general listing of political subdivisions included in our database is available upon request.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029	Fully Implemented (FY 2030)
GENERAL REVENUE				
<u>Cost - DESE – (§§167.1200-1230) p.9</u>				
Personal Service	\$0	\$0	(\$161,284)	(\$164,509)
Fringe Benefits	\$0	\$0	(\$97,540)	(\$98,838)
Expense & Equipment	\$0	\$0	(\$15,448)	(\$15,751)
<u>Total Costs – DESE</u>	\$0	\$0	<u>(\$274,272)</u>	<u>(\$279,098)</u>
FTE Change	0 FTE	0 FTE	2 FTE	2 FTE
<u>Cost – DESE/ITSD (§§167.1200-1230) - Foundation formula changes p.4</u>	(\$1,271,214)	(\$260,599)	(\$267,115)	(\$273,631)
<u>Cost or Cost Avoidance – DESE (§§167.1205 & 167.1210) Difference in state funding for resident district and nonresident district for transferring students p.8-9</u>	\$0	\$0	(Unknown) or Unknown	(Unknown) or Unknown
<u>Cost – DESE (§167.1210) Transportation Fund p.9</u>	\$0	\$0	\$0 to (Unknown)	\$0 to (Unknown)
<u>Transfer Out – DESE (§167.1212) Parent Public School Choice Fund p.9</u>	\$0	\$0	\$0 or (Unknown)	\$0 or (Unknown)
<u>Savings - DESE (§167.1229) Withheld state aid for transfer improprieties identified by an audit p.9</u>	\$0	\$0	\$0 or Unknown	\$0 or Unknown
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$1,271,214)</u>	<u>(\$260,599)</u>	More or less than <u>(\$541,387)</u>	More or less than <u>(\$552,729)</u>
Estimated Net FTE Change on General Revenue	0 FTE	0 FTE	2 FTE	2 FTE

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029	Fully Implemented (FY 2030)
PARENT PUBLIC SCHOOL CHOICE FUND				
<u>Transfer In – GR (§167.1212)</u> Functions of §§167.1200-1230 p.9	\$0	\$0	\$0 or Unknown	\$0 or Unknown
<u>Cost – (§167.1212) To</u> parents/students or school districts for costs of transportation	\$0	\$0	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT TO THE PARENT PUBLIC SCHOOL CHOICE FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029	Fully Implemented (FY 2030)
SCHOOL DISTRICTS AND CHARTER SCHOOLS				
<u>Cost or Cost Avoidance – Nonresident Districts (§§167.1205 & 167.1210)</u> Additional State funding for non-resident transfers but also additional costs to educate those students p.8-9	\$0	\$0	Unknown or (Unknown)	Unknown or (Unknown)
<u>Cost or Cost Avoidance – Resident Districts (§§167.1205 & 167.1210)</u> reduced state funding, but also possible reduction in costs to educate those students p.8-9	\$0	\$0	Unknown or (Unknown)	Unknown or (Unknown)
<u>Transfer In - Parent Public School Choice Fund (§167.1211)</u> Reimburse nonresident districts for the costs of special educational services p.9	\$0	\$0	\$0 or Unknown	\$0 or Unknown
<u>Loss - DESE (§167.1229)</u> Withheld state aid for transfer improprieties identified by an audit p.9	\$0	\$0	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS AND CHARTER SCHOOLS	<u>\$0</u>	<u>\$0</u>	Unknown or (Unknown)	Unknown or (Unknown)

FISCAL IMPACT – Small Business

No direct fiscal impact on small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposal modifies provisions governing elementary and secondary education.

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
Department of Social Services
Department of Mental Health
Missouri National Guard
Missouri House of Representatives
Missouri Senate
Office of the Secretary of State
Office of the State Treasurer
Office of Administration – Budget and Planning
Joint Committee on Administrative Rules
Washington School District
Wellsville Middle town School District
Henry County R-1 School District
Concordia R-II School District
Hume R-VIII School District
Joplin School District
Shell Know School District
Gasconade Co. R-1 School District
Exeter R-VI School District
Cape Girardeau Public Schools
Richland R-IV School District
Bayless School District
Afton School District
Osage Co. R-I School District
Lincoln R-II School District
Green Forest R-III School District
Parkway School District
Pilot Grove C-4 School District
Republic R-III School District
North Pemiscot Co. R-I School District
Dallas Co. R-I School District
Gordon Parks Elementary Charter School

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Kansas City Public Schools
Springfield Public Schools
Sedalia 200 School District



Julie Morff
Director
March 2, 2026



Jessica Harris
Assistant Director
March 2, 2026