

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4738S.01I
 Bill No.: SB 1274
 Subject: Children and Minors; Department of Elementary and Secondary Education;
 Education, Elementary and Secondary
 Type: Original
 Date: February 19, 2024

Bill Summary: This proposal establishes provisions relating to physical privacy of children.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue*	(Less than \$100,000) to Unknown	(Less than \$100,000) to Unknown	(Less than \$100,000) to Unknown
Total Estimated Net Effect on General Revenue	(Less than \$100,000) to Unknown	(Less than \$100,000) to Unknown	(Less than \$100,000) to Unknown

*A school district that violates any provision of the proposal shall be ineligible to receive state aid and shall be classified as unaccredited until the district proves to the satisfaction of the DESE that it is no longer in violation of the act. The withholding of state aid to schools will be a possible impact to general revenue with the potential to exceed \$250,000 in savings.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
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 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
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 2025	FY 2026	FY 2027
Local Government	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assume section 171.425.5 requires withholding of state aid to school district in violation of the section. Such an action would likely require a hearing.

Based on this proposed language, Department of Elementary and Secondary Education (DESE) Office of Governmental Affairs estimates costs of less than \$100,000. These costs which will be dependent on the number of hearing appeals the State Board receives from students and families, include but are not limited to:

- Hearing officer time for hearing and drafting recommendations for the State Board;
- Administrative assistant time to schedule hearings, provide notice to parties and any settlement negotiations;
- Court reporter costs;

For cost explanation purposes, the average cost for a teacher discipline hearing is \$566.55/hearing:

- Average of 3 hours of hearing officer time x average of \$58.08/hour
- Average of 7 hours administrative assistant time x \$31.08/hour
- Average of \$174.75 in court reporter costs/hearing.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a range of impact of \$0 (no hearings) to Less than \$100,000 in costs (hearings by the State Board) as estimated by DESE in the fiscal note.

Oversight notes a school district that violates any provision of the proposal shall be ineligible to receive state aid and shall be classified as unaccredited until the district proves to the satisfaction of the DESE that it is no longer in violation of the act. Therefore, Oversight will reflect a \$0 (no funds withheld) to unknown (funds withheld for noncompliance) savings to General Revenue and corresponding loss to school districts.

Oversight notes it is also difficult to determine how many schools will need to make acceptable accommodations that include but are not limited to shower rooms, locker rooms, or restrooms designated for use by students. Oversight is uncertain if any school facilities would require improvements; therefore, Oversight will show a range of impact of \$0 (no improvements required) to an unknown cost (improvements required) on the fiscal note for school districts.

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 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE			
<u>Savings</u> - DESE may withhold state aid from school districts for violations	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Costs</u> - DESE – hearings held by the State Board	\$0 to (Less than \$100,000)	\$0 to (Less than \$100,000)	\$0 to (Less than \$100,000)
ESTIMATED NET EFFECT ON GENERAL REVENUE	(Less than \$100,000) to Unknown	(Less than \$100,000) to Unknown	(Less than \$100,000) to Unknown

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
SCHOOL DISTRICTS			
<u>Loss</u> - DESE may withhold state aid for violations	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Costs</u> – potential accommodation changes to ensure compliance	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	\$0 to (Unknown)	\$0 to (Unknown)	\$0 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 requires that all public school shower rooms, locker rooms, and restrooms accessible for use by minors under 18 years of age shall be designated for and used by male or female minors only. The act provides for the best available accommodations for any minor who asserts that his or her gender differs from his or her biological sex, provided that such minor's parent shall consent to such accommodations in writing. Such accommodations may include, but are not

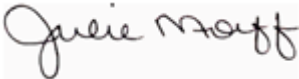
limited to, controlled use of faculty shower rooms, locker rooms, or restrooms, or access to single-stall and unisex restrooms.

A school district that violates any provision of the act shall be ineligible to receive state aid and shall be classified as unaccredited until the district proves to the satisfaction of the Department of Elementary and Secondary Education that it is no longer in violation of the act.

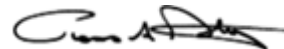
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education



Julie Morff
Director
February 19, 2024



Ross Strobe
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February 19, 2024