

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4177S.02C
 Bill No.: SCS for SB 781
 Subject: Education, Elementary and Secondary; Education, Higher; Department of
 Elementary and Secondary Education; Department of Higher Education and
 Workforce Development
 Type: Original
 Date: March 29, 2022

Bill Summary: This proposal establishes the "Save Women's Sports Act" relating to female-only athletics in middle schools, high schools, and colleges.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
General Revenue*	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
Total Estimated Net Effect on General Revenue	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

*The fiscal note reflects the potential withholding of funds from school districts and institutions of higher education if the financial penalty provisions of the bill are enacted. For simplicity, Oversight will reflect the potential withheld payments coming from (remaining in) General Revenue.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
University Funds*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on 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 2023	FY 2024	FY 2025
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education** and **Department of Higher Education and Workforce Development** each assume the proposal will have no fiscal impact on their respective organizations.

In response to the previous version, officials from the **Attorney General's Office** assumed the proposal would 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.

Officials from the **University of Central Missouri** state there is the potential for an indeterminate fiscal impact.

In response to the previous version, officials from the **University of Missouri System** and the **St. Charles Community College** each assumed the proposal would have no fiscal impact on their respective organizations.

Oversight notes transgender student participation in interscholastic sports is regulated by school districts and the Missouri State High School Activities Association (MSHSAA); while intercollegiate sports is regulated by National Collegiate Athletic Association (NCAA). Per the by-laws of the [MSHSAA](#) and the [NCAA](#):

- transgender students undergoing hormonal treatment for gender transition (male to female) may compete on women's teams after completing one calendar year of testosterone suppression treatment.
- transgender students who have commenced treatment with testosterone for gender transition (female to male) are no longer eligible to compete on women's teams.

Oversight assumes this proposal prohibits public or private schools and public or private institutions of postsecondary education from allowing biological males as assigned at birth to play on sports teams designated for women. Entities that violate this proposal are not eligible for moneys appropriated by the general assembly.

Oversight notes the foundation formula payments for school districts is estimated at \$3,561,737,794 for FY 2023 per the DESE Budget Request for FY 2023.

Oversight notes the following appropriations to postsecondary institutions:

Institution	Appropriation
Community Colleges	\$143,570,515
State Technical College of Missouri	\$6,060,371
UCM	\$55,538,357
Southeast Missouri State University	\$46,079,469
Missouri State University	\$94,351,060
Lincoln University	\$17,779,873
Truman State University	\$41,860,322
Northwest Missouri State University	\$31,386,117
Missouri Southern State University	\$24,231,242
Missouri Western State University	\$22,521,755
Harris-Stowe State University	\$10,661,260
University of Missouri System	\$417,911,876

*Source: DHEWD website. Actual appropriations amounts may differ based on withholds.

Oversight assumes there could be a loss to public schools, colleges and universities that fail to comply with the requirements in the proposal. The penalty would be any moneys appropriated by the general assembly. Based on amounts appropriated, Oversight assumes the loss could exceed \$250,000.

Oversight received a limited number of responses from school districts, colleges and universities 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, other school districts, colleges and universities were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in Oversight's database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
GENERAL REVENUE			
<u>Revenue Gain</u> - from funding withheld from school districts and charter schools for violating section §167.780	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Revenue Gain</u> - from funding withheld from colleges and universities for violating section §167.780	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Revenue Gain</u> - from funding withheld from community colleges for violating section §167.780	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
UNIVERSITY FUNDS			
<u>Loss</u> - funding withheld for violating section §167.780	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT ON UNIVERSITY FUNDS	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
LOCAL POLITICAL SUBDIVISIONS			
<u>Loss</u> - School Districts & Charter Schools - funding withheld for violating section §167.780	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Loss</u> - Community Colleges - funding withheld for violating section §167.780	\$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

No athletic team or sport designated for females, women, or girls shall be open to students of the male sex, as assigned at birth.

No governmental entity, licensing or accrediting organization, or athletic association or organization shall take any adverse action, as described in the act, against a school for maintaining separate interscholastic or intramural athletic teams or sports for students of the female sex.

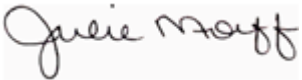
No public or private middle school or high school or a public or private institution of postsecondary education that has biological males as assigned at birth playing women's sports shall be eligible for money appropriated by the General Assembly.

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

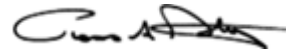
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SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Department of Higher Education and Workforce Development
University of Missouri System
University of Central Missouri
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