

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1332-02
Bill No.: Perfected HCS for HB 739
Subject: Elementary and Secondary Education; Boards, Commissions, Committees, and Councils; Sunshine Law
Type: Original
Date: April 3, 2019

Bill Summary: This proposal modifies provisions relating to preventing sexual misconduct in schools.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Criminal Records System Fund (0671)	\$71,148 to Could exceed \$241,384	\$71,148 to Could exceed \$241,384	\$71,148 to Could exceed \$241,384
Total Estimated Net Effect on <u>Other</u> State Funds	\$71,148 to Could exceed \$241,384	\$71,148 to Could exceed \$241,384	\$71,148 to Could exceed \$241,384

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Local Government	(Unknown) or (\$101,062 to Could exceed \$342,874)	(Unknown) or (\$101,062 to Could exceed \$342,874)	(Unknown) or (\$101,062 to Could exceed \$342,874)

FISCAL ANALYSIS

ASSUMPTION

§162.068, §162.203 and §170.045

Officials from the **Department of Elementary and Secondary Education (DESE)** assume the proposal will result in no cost to the department. DESE assumes the training materials will be developed by the task force as established in section 210.1200.

Oversight notes §210.1200 creates the Task Force on the Prevention of Sexual Abuse of Children, from SB 843 (2018).

Officials from the **Department of Social Services, Missouri Office of Prosecution Services, Department of Mental Health and Department of Health and Senior Services** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the responding state agencies have stated that these provisions would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary.

Officials from **Wellsville-Middletown R-1 School District** assume this will not have a major fiscal impact on the district.

Officials from **Springfield Public Schools** assume this would cost \$130,000 for staff for training and human resource processes.

Oversight assumes this proposal requires school districts to provide training on identifying the signs of sexual abuse to school board members beginning in FY 2020. In addition, school districts shall provide trauma-informed, developmentally-appropriate sexual abuse training to students in all grades not lower than the sixth grade beginning in FY 2021. Oversight will show an unknown cost to schools districts beginning in FY 2020.

In response to a previous version, officials from the **Office of the Secretary of State (SOS)** stated 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

ASSUMPTION (continued)

may be in excess of what the office can sustain with the 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.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could require additional resources.

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

Oversight assumes JCAR will be able to administer any rules resulting from this proposal with existing resources.

§210.110 - House Amendment 2

Officials from the **Department of Social Services** assume the proposal will have no fiscal impact on their organization.

In response to a similar proposal, HB 1976 (2018), officials from the **Shell Knob School District #78** stated the proposal would likely result in an increased cost to the district to cover extra liability insurance.

In response to a similar proposal, HB 1976 (2018), officials from the **Kirksville R-III School District** assumed this proposal would have an unknown negative fiscal impact on Kirksville schools if the personnel time is during the class day.

In response to a similar proposal, HB 1976 (2018), officials from the **Summersville R2 School District** stated this proposal would have an unknown fiscal impact on their school district.

Oversight assumes the proposal would have an unknown negative fiscal impact to school districts.

§168.133 - House Amendment 3

Officials from the **Department of Elementary and Secondary Education (DESE)** assume the proposal will result in no cost to the department.

Officials from **Department of Public Safety - Missouri State Highway Patrol (MHP)** state, in 2018, public school districts submitted 694 criminal record checks on volunteers. These requests

ASSUMPTION (continued)

were submitted from 98 school districts of the 560 school districts within the state. Based on this, the CJIS Division estimates, an additional 3,234 record checks will be generated annually resulting in \$71,148 deposited into the Criminal History Record Fund.

694 records checks divided by 98 districts = an average of 7 submissions per district per year on volunteers.

462 districts not submitting x 7 volunteer submissions = 3,234 volunteers x \$22.00 = \$71,148

The cost for a state and federal fingerprint based criminal record check for a volunteer submission is \$31.25, per request. The state portion of the record check fee is \$20.00, and the federal portion is \$11.25. If the submitting agency chooses to utilize the state fingerprint services vendor, then an additional \$8.50 is charged by the vendor for this service. Thus, the fee breakdown per request is as follows:

State Fee: \$20.00
Federal Fee (volunteer): \$11.25
Total (state and federal Fee) \$31.25
Total (state, federal and vendor fee): \$39.75

The total amount retained in the Criminal History Record fund after paying the FBI is \$22.00 per request. This equals \$20.00 for the state fee, pursuant to Section 43.530, and \$2.00 of the federal fee, pursuant to 28 CFR 20.31(e) (2) and the current fee schedule as posted in the Federal Register. The remaining amount of \$9.25 (\$31.25-\$22.00 = \$9.25) is passed on to the FBI.

In response to a similar proposal, SB 295 (2019), officials from the **Francis Howell School District** and **Wellsville-Middletown R-1 School District** both stated that since they already perform background checks on volunteers, this proposal would have no fiscal impact on their respective organizations.

Oversight notes this proposal requires a school district to perform background checks on screened volunteers which includes persons who mentor or tutor students. Oversight notes one of the requirements of the A+ program is to perform at least 50 hours of unpaid tutoring or mentoring. Oversight is uncertain if the A+ tutors would meet the definition of screened volunteer. Therefore, Oversight is uncertain if school districts would be required to perform background checks on A+ tutors. Oversight notes there were 7,738 first time, full-time degree seeking students enrolled in the A+ program in FY 2018. If school districts were required to perform background checks on these students, the cost is estimated at \$241,812 (7,738 * \$31.25)

ASSUMPTION (continued)

plus \$101,062 (3,234 * \$31.25 based on the numbers estimated by MHP) for a total of \$342,874.

Based on a brief review, **Oversight** notes some school districts pay for volunteer background checks while other school districts require the volunteer to pay for the background check.

Oversight notes if school districts were required to perform background checks on A+ tutors the Criminal Records System Fund would have an increase in income of \$170,236 plus \$71,148 (the amount estimated by the MHP) for a total of \$241,384.

Oversight will show a range of income to the Criminal Records System Fund of \$71,148 (background checks on A+ tutors not required) to \$241,384 (background checks on A+ tutors required).

Oversight will show a range of cost to the school districts of \$0 (volunteer pays for the background check) to \$101,062 (background checks on A+ tutors not required) to \$342,874 (background checks on A+ tutors required).

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
CRIMINAL RECORDS SYSTEM FUND			
<u>Income</u> - MHP - increase in background check fees (HA 3)	\$71,148 to Could exceed <u>\$241,384</u>	\$71,148 to Could exceed <u>\$241,384</u>	\$71,148 to Could exceed <u>\$241,384</u>
ESTIMATED NET EFFECT ON THE CRIMINAL RECORDS SYSTEM FUND	\$71,148 to Could exceed <u>\$241,384</u>	\$71,148 to Could exceed <u>\$241,384</u>	\$71,148 to Could exceed <u>\$241,384</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
SCHOOL DISTRICTS			
<u>Cost</u> - sexual abuse training for school board members and students (§162.203)	(Unknown)	(Unknown)	(Unknown)
<u>Cost</u> - increase in costs for insurance (§210.110) (HA 2)	(Unknown)	(Unknown)	(Unknown)
<u>Cost</u> - background check fees (§168.133) (HA 3)	\$0 to (\$101,062 to Could exceed \$342,874)	\$0 to (\$101,062 to Could exceed \$342,874)	\$0 to (\$101,062 to Could exceed \$342,874)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	(Unknown) or (\$101,062 to Could exceed \$342,874)	(Unknown) or (\$101,062 to Could exceed \$342,874)	(Unknown) or (\$101,062 to Could exceed \$342,874)

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This bill requires full disclosure between school districts about a former employee when requested, specifically regarding any confirmed violation of a board policy related to abusive behavior toward a student. Additionally, any school, before offering employment, must contact the district or charter school that previously employed the prospective hire and request information (Section 162.068, RSMo).

The bill increases the training hours for initial school board members from 16 to 18 hours and 30 minutes, and further requires that the training include two hours and 30 minutes of sexual abuse training. Additionally, returning board members must take at least one hour of refresher training annually (Section 162.203).

This bill requires that schools provide age appropriate sexual abuse training to students in grades six and up. The training will be developed by the Department of Elementary and Secondary Education (Section 170.045).

FISCAL DESCRIPTION (continued)

HA2 - This bill adds to the list of people responsible for the care, custody, and control of a child for purposes of child abuse: school personnel, contractors, or volunteers if the person has established a relationship with the child through the school or school-related activities, even if the alleged abuse or neglect by the school personnel, contractor, or volunteer occurred outside of school hours, off school grounds, or outside the scope of school functions.

HA3 - Under this act, school districts are required to conduct a criminal background check on screened volunteers, which shall mean any person who assists a school by providing uncompensated service and who may be left alone with students. Volunteers that are not screened shall not be left alone with a student or have access to student records.

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
Missouri Office of Prosecution Services
Department of Mental Health
Department of Health and Senior Services
Joint Committee on Administrative Rules
Office of the Secretary of State
Wellsville-Middletown R-1 School District
Springfield Public Schools



Kyle Rieman
Director
April 3, 2019

Ross Strobe
Assistant Director
April 3, 2019