

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0501H.01I
Bill No.: HB 170
Subject: Education, Elementary and Secondary; Education, Higher; Department of
Elementary and Secondary Education; Department of Higher Education and
Workforce Development
Type: Original
Date: January 23, 2023

Bill Summary: This proposal establishes guidelines for student participation in athletic contests organized by sex.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Colleges & Universities	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

*The University of Missouri System stated the fiscal impact to their college could be significant; therefore, it is assumed the unknown impact could possibly exceed \$250,000 across all higher education institutions annually.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
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 2024	FY 2025	FY 2026
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§167.178 and 173.088 – Guidelines for student participation in athletic contests organized by sex

Officials from the **University of Missouri System** state the fiscal impact to the university system could be significant.

Officials from the **University of Central Missouri (UCM)** state this proposal would have an indeterminate fiscal impact on the UCM.

Oversight does not have any information to the contrary. Oversight will range the fiscal impact to colleges and universities from \$0 to a negative unknown. Because the University of Missouri System stated the fiscal impact to their college could be significant, Oversight assumes the unknown impact could exceed \$250,000 annually.

Officials from the **Attorney General's Office**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, **Northwest Missouri State University**, **St. Charles Community College** and the **Office of the State Courts Administrator** 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.

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.

Oversight only reflects the responses received from state agencies and political subdivisions; however, schools, charter schools, and colleges and universities were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
COLLEGES & UNIVERSITIES			
<u>Costs – Colleges & Universities</u> (§§163.048 and 173.088) – sport participation	<u>\$0 to</u> (Unknown)	<u>\$0 to</u> (Unknown)	<u>\$0 to</u> (Unknown)
ESTIMATED NET EFFECT ON COLLEGES & UNIVERSITIES	<u>\$0 to</u> (Unknown)	<u>\$0 to</u> (Unknown)	<u>\$0 to</u> (Unknown)

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill defines "sex" as, the two main categories of male and female into which individuals are divided based on an individual's reproductive biology at birth and the individual's genome.

The bill prohibits public school districts and institutions of higher education from allowing an individual of the male sex to participate in a sport designated for the female sex as determined by the student's official birth certificate, or if unobtainable, another government record.

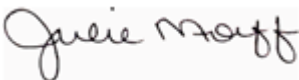
The bill clarifies that biological sex is only correctly stated on birth certificates if it was entered at or near the time of birth or modified to correct scrivener's error.

Any public school district or institution of higher education that violates this prohibition will be ineligible for state aid or other revenue from the state.

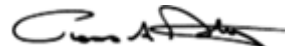
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Attorney General's Office
Department of Elementary and Secondary Education
Department of Higher Education and Workforce Development
Office of the Secretary of State
Office of the State Courts Administrator
University of Missouri System
Northwest Missouri State University
University of Central Missouri
St. Charles Community College
Joint Committee on Administrative Rules



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January 23, 2023



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