

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3828H.011
 Bill No.: HB 1739
 Subject: Education, Elementary and Secondary; Department of Elementary and Secondary Education; Children and Minors; Nurses; Boards, Commissions, Committees, and Councils; Attorney General
 Type: Original
 Date: January 19, 2024

Bill Summary: This proposal enacts provisions governing public elementary and secondary school students.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	\$0 to (Less than \$100,000)	\$0 to (Less than \$100,000)	\$0 to (Less than \$100,000)
Total Estimated Net Effect on General Revenue	\$0 to (Less than \$100,000)	\$0 to (Less than \$100,000)	\$0 to (Less than \$100,000)

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 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Section 161.841 - Parents' Bill of Rights

Oversight assumes there could be costs for school staff to meet requests for information on curriculum, instructional material, contracts, and funding. Additionally, Oversight assumes there could be training costs and administrative costs related to notifications and printing. Oversight is uncertain if these costs could be absorbed by school districts. Therefore, Oversight will show a range of impact of \$0 (no additional costs or costs can be absorbed) to unknown costs to school districts.

Sections 170.385 and 170.386 – Discussion of Certain Topics by School Personnel

Oversight assumes there could be costs for school districts if the Attorney General's Office or a parent brings a civil action against district. Oversight will show a range of impact of \$0 to an unknown cost.

Response to the Legislation as a Whole

Officials from **Department of Elementary and Secondary Education (DESE)** assume Sections 170.386.8(1) and section 170.386.8(2) requires discipline of a teaching certificate upon charges filed by a school district or brought by the State Board after a hearing establishing a violation of the section.

Based on this proposed language, DESE, Office of Governmental Affairs estimates costs of **less than \$100,000**. These costs which will be dependent on the number of hearings the State Board must hold 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.

DESE assumes the required investigations will be conducted in the manner of current investigations and can be absorbed by current staffing. However, depending upon the number of investigations and hearings required additional FTE may be required in the future. In this circumstance DESE will seek additional FTE through the appropriations process.

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

In response to a similar proposal, SB 728 (2024), officials from the **Office of Attorney General (AGO)** assumed any potential litigation costs arising from this proposal could be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation.

Officials from the **Department of Commerce and Insurance, Department of Mental Health, Office of the State Auditor, and Office of Administration - Administrative Hearing Commission** each assume the proposal will have no fiscal impact on their organizations.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to a similar proposal, SCS for SB 134 (2023), officials from the **Department of Elementary and Secondary Education** assumed the proposal will have no fiscal impact on their respective organizations.

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

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>Costs – DESE – hearings held by the State Board - §170.386.8</u>	<u>\$0 to (Less than \$100,000)</u>	<u>\$0 to (Less than \$100,000)</u>	<u>\$0 to (Less than \$100,000)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0 to (Less than \$100,000)</u>	<u>\$0 to (Less than \$100,000)</u>	<u>\$0 to (Less than \$100,000)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
SCHOOL DISTRICTS			
<u>Costs - to adopt policies/administrative costs related to parents’ rights - §161.841</u>	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Costs - for court costs, attorney fees and damages - §170.386.9</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>

FISCAL IMPACT – Small Business

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

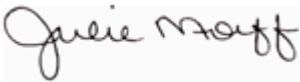
FISCAL DESCRIPTION

This proposal enacts provisions governing public elementary and secondary school students.

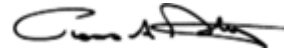
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Department of Commerce and Insurance
Department of Mental Health
Office of Administration - Administrative Hearing Commission
Attorney General's Office
Office of the State Auditor



Julie Morff
Director
January 19, 2024



Ross Strobe
Assistant Director
January 19, 2024