

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2239H.02P
Bill No.: Perfected HCS for HB 937
Subject: Department of Elementary and Secondary Education; Education, Elementary and Secondary; Department of Higher Education and Workforce Development; Higher Education; Civil Rights
Type: Original
Date: April 8, 2025

Bill Summary: This proposal provides protections against discrimination and antisemitism in public schools and public postsecondary educational institutions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue*	(\$268,465)	(\$305,779)	(\$311,264)
Total Estimated Net Effect on General Revenue	(\$268,465)	(\$305,779)	(\$311,264)

*Oversight notes the proposal requires DESE and DHEWD each to hire a Title VI coordinator (2 FTE) to fulfill the duties as outlined.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
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 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	2 FTE	2 FTE	2 FTE
Total Estimated Net Effect on FTE	2 FTE	2 FTE	2 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 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§ 160.014, 160.015, and 173.002 - Protections Against Discrimination

Section 160.015

Officials from **Department of Elementary and Secondary Education (DESE)** assume section 160.015.7 would require DESE to hire a Title VI coordinator to fulfill the duties as outlined. "The state board of education shall establish a Title VI coordinator to monitor antisemitic discrimination and harassment at educational institutions. Each educational institution shall report incidents and complaints of antisemitic discrimination or harassment to such coordinator through a process established for such reporting." DESE assumes this would require a coordinator level position with associated salary (\$90,816), fringe, expenses and equipment.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the estimated impact by DESE in the fiscal note.

In response to a previous version, officials from **Washington School District** assumed there is a financial impact for HB 937 of \$125,000 for the first year and then \$100,000 annually. The addition of a FTE for the Title VI Coordinator is \$70,000 with additional training \$5,000, and curriculum/course work \$50,000.

Oversight notes Section 160.015.7 (1) states the State Board of Education shall establish a Title VI coordinator to monitor antisemitic discrimination and harassment at educational institutions. Each educational institution shall report incidents and complaints of antisemitic discrimination or harassment to such coordinator through a process established for such reporting. Therefore, Oversight assumes any costs to educational institutions can be absorbed with existing resources and will not be reflected in the fiscal note.

Section 173.002

In response to a previous version, officials from **Department of Higher Education and Workforce Development (DHEWD)** assumed section 173.002.7 requires the coordinating board for higher education establish a Title VI coordinator to monitor, investigate, and report on antisemitic discrimination and harassment at educational institutions. The implementation of this bill would require a new FTE at DHEWD to provide oversight and compliance. The anticipated position level is Legal Counsel. DHEWD projects an initial equipment expense for a computer and monitor (\$2,067.74) and \$11,111 for additional furniture, office space, supplies and ITSD support. Ongoing supplies and ITSD support were also factored in for FY27 and FY28.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the estimated impact by DHEWD in the fiscal note.

Oversight notes Section 1703.002.7 (1) states the State Board of Education shall establish a Title VI coordinator to monitor antisemitic discrimination and harassment at educational institutions. Each educational institution shall report incidents and complaints of antisemitic discrimination or harassment to such coordinator through a process established for such reporting. Therefore, Oversight assumes any costs to educational institutions can be absorbed with existing resources and will not be reflected in the fiscal note.

Bill as Whole

Oversight notes this proposal states prohibited conduct as it relates specifically to antisemitism shall be incorporated into such educational institution's student, faculty, and employee codes of conduct and shall include penalties for harassment of and discrimination against Jews in compliance with antidiscrimination regulations promulgated under Title VI of the federal Civil Rights Act of 1964, as amended, by the United States Department of Education and the United States Department of Justice.

Oversight assumes that there is potential for loss of federal funding and legal action for noncompliance. However, refusal to grant assistance is the ultimate enforcement action. There are other available alternative actions, such as court enforcement, administrative action, and inducing voluntary compliance. For the purposes of the fiscal note, Oversight assumes alternative actions will be taken to enforce compliance. Therefore, Oversight will reflect a zero impact to school districts in the fiscal note.

Officials from the **Missouri House of Representatives** assume the proposal will 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.

In response to a previous version, officials from the **Department of Labor and Industrial Relations**, and the **Missouri Senate** each assumed 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.

Officials from the **University of Central Missouri** assume there would be an indeterminate fiscal impact but likely increase in cost due to required staff needed for policy revisions and tracking of reports and incidents to the state.

In response to a previous version, officials from the **University of Missouri** and **Northwest Missouri State University** both assumed the proposal would 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.

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.

House amendment 1

§160.082 - Missouri CROWN Act

Officials from the **Department of Elementary and Secondary Education** assume the proposal will have no fiscal impact on their organization. Therefore, **Oversight** will reflect a zero impact in the fiscal note for this agency.

In response to similar legislation, HB 284 (2025), officials from the **Department of Labor and Industrial Relations** assumed the Human Rights Commission (MCHR) could absorb the increase in complaints with existing resources. However, if the number of additional cases was significant or additional legislation was enacted which increased other types of MCHR complaints, the impact could be substantial enough that the MCHR could not absorb additional work without additional resources and would request such through the appropriations process.

Oversight assumes DOLIR-MCHR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOLIR could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOLIR could request funding through the appropriation process.

In response to similar legislation, HB 284 (2025), officials from the **Office of Attorney General (AGO)** assumed any additional litigation costs arising from this proposal can be absorbed with existing personnel and resources. However, the AGO may seek additional appropriations if there is a significant increase in litigation.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

In response similar legislation, HB 1900 (2024), officials from the **King City R-1 School District** and **Cabool R-IV School District** both assumed the proposal will have no fiscal impact on their organization.

In response to a similar proposal, HB 361 (2023), officials from the **Gordon Parks Elementary Charter School** assumed the proposal will have no fiscal impact on their organization.

In response to a similar proposal, HB 503 (2021), officials from the **High Point R-III School District** assumed the proposal would have no fiscal impact on their organization.

Oversight does not anticipate a fiscal impact to school districts; however, Oversight received a limited number of 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 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 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 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE			
<u>Cost – DESE – §160.015 p.3</u>			
Personnel Service	(\$75,680)	(\$92,632)	(\$94,485)
Fringe Benefits	(\$43,493)	(\$52,919)	(\$53,662)
Expense & Equipment	(\$15,227)	(\$12,580)	(\$12,831)
<u>Total Costs - DESE</u>	<u>(\$134,400)</u>	<u>(\$158,131)</u>	<u>(\$160,978)</u>
FTE Change - DESE	1 FTE	1 FTE	1 FTE
<u>Cost – DHEWD – §173.002 p.3</u>			
Personnel Service	(\$73,932)	(\$90,492)	(\$92,302)
Fringe Benefits	(\$42,792)	(\$52,061)	(\$52,787)
Expense & Equipment	(\$17,341)	(\$5,095)	(\$5,197)
<u>Total Costs - DHEWD</u>	<u>(\$134,065)</u>	<u>(\$147,648)</u>	<u>(\$150,286)</u>
FTE Change - DHEWD	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$268,465)</u>	<u>(\$305,779)</u>	<u>(\$311,264)</u>
Estimated Net FTE Change on General Revenue	2 FTE	2 FTE	2 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<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 provides protections against discrimination and antisemitism in public schools and public postsecondary educational institutions.

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 Higher Education and Workforce Development
Department of Elementary and Secondary Education
Department of Labor and Industrial Relations
University of Missouri
Washington School District
Northwest Missouri State University
University of Central Missouri
Missouri House of Representatives
Missouri Senate
Attorney General's Office
High Point R-III School District
Gordon Parks Elementary Charter School
King City R-1 School District
Cabool R-IV School District



Julie Morff
Director
April 8, 2025



Jessica Harris
Assistant Director
April 8, 2025