

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 6308H.01I  
 Bill No.: HB 2536  
 Subject: Minorities; Public Buildings; Civil Penalties  
 Type: Original  
 Date: March 2, 2026

Bill Summary: This proposal establishes definitions and provisions for the protection of women.

**FISCAL SUMMARY**

**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

\*Potential DOC costs to make infrastructure compliant assumed to be less than \$250,000 annually.

**ESTIMATED NET EFFECT ON OTHER STATE FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

**ESTIMATED NET EFFECT ON FEDERAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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 2027	FY 2028	FY 2029
<b>Local Government*</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

\*Potential cost for increased enforcement of regulations.

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of the State Courts Administrator** and **Missouri Office of Prosecution Services** did not respond to **Oversight's** request for a statement of fiscal impact for this proposal.

### §§1.020, 8.671, 8.672, 8.673, and 163.048 – Definitions and Provisions for the Protection of Women

Officials from the **Department of Corrections (DOC)** state §8.672 mandates that a covered entity shall designate each multi-occupancy restroom, changing room, and sleeping quarters for the exclusive use of males or females. The definition for covered entity includes a correctional center.

It is unclear how the DOC will determine a person's sex and thus prohibit them from entering a restroom for the opposite gender. This will also prohibit the department from having gender neutral restrooms which is the type of restroom the department primarily has within its facilities for staff.

Operationally speaking, the DOC may need to assess existing practices to ensure compliance with this legislation. The department operates on 19 correctional facilities, 6 CSC's (Community Supervision Centers), 2 Transition Centers, 70 plus Probation and Parole District offices, a Central Office campus, and 3 training centers. An evaluation of current restroom and locker room designations will need to occur and may result in changing the restroom designations at some locations.

In the event a current infrastructure at a site cannot comply with this legislation, the department may need new construction to bring the site into compliance. The department estimates that each construction could cost a minimum of \$10,000 per restroom/locker room.

In addition, the DOC assumes the creation of this section may result in increased litigation from employees. The department has no way to estimate the number of potential lawsuits, therefore, the department projects a \$0-unknown cost for this legislation. It is assumed unknown costs will exceed \$250,000 annually.

**Oversight** contacted the Office of Administration (OA) and inquired about the possibility of a fiscal impact to General Services regarding DOC's litigation concerns. OA officials stated the General Services Division indicated the proposal would not have fiscal impact on their organization/operations. Therefore, Oversight assumes the possibility of significant costs related to increased litigation is assumed to be minimal.

Based on the information received from the Office of Administration, Oversight will present DOC's fiscal impact as a range of \$0 or (Unknown) to General Revenue but assumes the impact will be less than \$250,000 annually.

Officials from the **Department of Mental Health (DMH)** defer to the **Office of Administration – Facilities Management, Design and Construction (FMDC)** for a statement on fiscal impact for this legislation. DMH would have to work with FMDC to make sure its spaces comply with the proposal.

**Oversight** contacted the Office of Administration (OA) and inquired about the possibility of costs associated with DMH having to make sure its spaces comply with the provisions of the proposal. OA officials stated FMDC indicated the proposal would not have fiscal impact on their organization/operations. Therefore, Oversight assumes the possibility of significant costs related to making sure DMH spaces comply with the proposal will be minimal.

Officials from the **City of Kansas City** state the proposed legislation will have a negative fiscal impact of an indeterminate amount.

Officials from the **University of Central Missouri** state this proposal has an indeterminate fiscal impact due to increases in costs associated with enforcements of the regulations.

**Oversight** has no information to the contrary. Due to the limited number of responses from local governments, Oversight will present a \$0 or (Unknown) cost to local governments.

Officials from the **Office of Attorney General (AGO)** assume any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

**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.

Officials from the **Office of Administration - Administrative Hearing Commission and Budget and Planning, Department of Commerce and Insurance, Department of Economic Development, Department of Elementary and Secondary Education, Department of Higher Education and Workforce Development, Department of Health and Senior Services, Department of Natural Resources, Department of Labor and Industrial Relations, Department of Revenue, Department of Public Safety, Divisions of: Alcohol and Tobacco Control, Capitol Police, Fire Safety, Director's Office, Gaming Commission, Missouri Highway Patrol, Veterans Commission and State Emergency Management Agency, Department of Social Services, Office of the Governor, Missouri Department of Agriculture, Missouri Department of Conservation, Missouri Ethics Commission, Missouri**

**Department of Transportation, Missouri National Guard, MoDOT & Patrol Employees' Retirement System, Office of Administration, Petroleum Storage Tank Insurance Fund, Office of the State Public Defender, Office of the State Treasurer, University of Missouri System, Platte County Election Board, St. Louis City Election Board, St. Louis County Election Board, Newton County Health Department, Phelps County Sheriff, Branson Police Department, Kansas City Police Department, County Employees Retirement Fund, Kansas City Civilian Police Employees' Retirement, Kansas City Police Retirement System, Public Education Employees' Retirement System, Sheriff's Retirement System, Metropolitan St. Louis Sewer District, South River Drainage District, Wayne County Public Water Supply District #2, Northwest Missouri State University, Office of the Lieutenant Governor, Office of the State Auditor, Missouri House of Representatives, Joint Committee on Public Employee Retirement, Legislative Research, Oversight Division, Missouri Senate, Missouri Lottery, Missouri Consolidated Health Care Plan, Missouri State Employee's Retirement System, State Tax Commission, and Rolling Hills Consolidated Library** 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 that we have received from state agencies and political subdivisions; however, other cities, local election authorities, various county officials, local public health departments, nursing homes, police and sheriff's departments, fire protection districts, ambulance and EMS, retirement, schools/charter schools, utilities, hospitals colleges and universities, electric companies and coops, solid waste management districts and public libraries were requested to respond to this proposed legislation but did not. 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. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<b>GENERAL REVENUE</b>			
<u>Cost – DOC (§8.672) Potential increase in costs to make infrastructure compliant p.3</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b>\$0 or <u>(Unknown)</u></b>	<b>\$0 or <u>(Unknown)</u></b>	<b>\$0 or <u>(Unknown)</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Cost – Local Political Subdivisions (§§1.020, 8.671, 8.672, 8.673, and 163.048) Potential increase in costs to enforce regulations p.4</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b>\$0 or <u>(Unknown)</u></b>	<b>\$0 or <u>(Unknown)</u></b>	<b>\$0 or <u>(Unknown)</u></b>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill adds definitions for "female", "male", and "sex" to a section of existing statutory definitions.

Additionally, the bill provides that a "covered entity", defined to include correctional centers, juvenile detention facilities, public buildings, public elementary and high schools, shelters for victims of domestic violence, and state institutions of higher education, is required to designate each multi-occupancy restroom, changing room, and sleeping quarters for the exclusive use of males or females. Every restroom or changing room within a covered entity that is designated for females or males must only be used by members of that sex, with certain exceptions, specified in the bill.

During any activity or event authorized by a school or state institution of higher education where students share sleeping quarters, no student is permitted to share sleeping quarters with a member of the opposite sex, unless such persons are members of the same family. Additionally, in any other facility or setting in a school or state institution of higher education where a person may be in a state of undress in the presence of others, school personnel must provide separate, private areas designated for use by persons based on their sex, and no person is permitted to enter these private areas unless he or she is a member of the designated sex. A state institution of higher education that offers housing for students must provide students the option to be housed only in a single-sex educational housing space with persons of the same sex.

An individual who, while accessing a restroom or changing room designated for use by their sex, encounters a person of the opposite sex in that restroom or changing room has a private cause of action for declaratory and injunctive relief against the covered entity if the covered entity:

- (1) Provided the person permission to use a restroom or changing room of the opposite sex;  
or
- (2) Failed to take reasonable steps to prohibit the person of the opposite sex from using the restroom or changing room of the opposite sex.

An individual who is required by the covered entity to share sleeping quarters with a person of the opposite sex has a private cause of action for declaratory and injunctive relief against the covered entity. All civil actions brought pursuant to this section must be initiated within two years after the violation occurred.

Additionally, current law prohibits any student from competing in an athletic competition that is designated for the biological sex opposite to the student's biological sex as stated on the student's official birth certificate or other government record. This provision is set to expire on August 28, 2027; this bill removes that expiration.

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  
Office of Administration –  
    Administrative Hearing Commission  
    Budget and Planning  
    Facilities Management, Design and Construction  
    General Services  
Department of Commerce and Insurance  
Department of Economic Development  
Department of Elementary and Secondary Education  
Department of Higher Education and Workforce Development

Department of Health and Senior Services  
Department of Mental Health  
Department of Natural Resources  
Department of Corrections  
Department of Labor and Industrial Relations  
Department of Revenue  
Department of Public Safety –  
    Alcohol and Tobacco Control  
    Capitol Police  
    Fire Safety  
    Director’s Office  
    Gaming Commission  
    Missouri Highway Patrol  
    Veterans Commission  
    State Emergency Management Agency  
Department of Social Services  
Office of the Governor  
Missouri Department of Agriculture  
Missouri Department of Conservation  
Missouri Ethics Commission  
Missouri Department of Transportation  
Missouri National Guard  
MoDOT & Patrol Employees’ Retirement System  
Office of Administration  
Petroleum Storage Tank Insurance Fund  
Office of the Secretary of State  
Office of the State Public Defender  
Office of the State Treasurer  
University of Missouri System  
City of Kansas City  
Platte County Election Board  
St. Louis Election Board  
St. Louis County Election Board  
Newton County Health Department  
Phelps County Sheriff  
Branson Police Department  
Kansas City Police Department  
County Employees Retirement Fund  
Kansas City Civilian Police Employees’ Retirement  
Kansas City Police Retirement System  
Public Education Employees’ Retirement System  
Sheriff’s Retirement System  
Metropolitan St. Louis Sewer District  
South River Drainage District

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Wayne County Public Water Supply District #2  
Northwest Missouri State University  
University of Central Missouri  
Office of the Lieutenant Governor  
Office of the State Auditor  
Missouri House of Representatives  
Joint Committee on Administrative Rules  
Joint Committee on Public Employee Retirement  
Legislative Research  
Oversight Division  
Missouri Senate  
Missouri Lottery  
Missouri Consolidated Health Care Plan  
Missouri State Employee's Retirement System  
State Tax Commission  
Rolling Hills Consolidated Library



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