

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6630H.011
 Bill No.: HB 2978
 Subject: Elementary and Secondary Education; Science and Technology; Children and Minors
 Type: Original
 Date: February 3, 2026

Bill Summary: This proposal limits the use of technology for student learning practices in elementary schools.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue*	\$0	\$0 or Unknown	\$0 or Unknown
Total Estimated Net Effect on General Revenue	\$0	\$0 or Unknown	\$0 or Unknown

* Oversight notes it is unclear how this proposal would impact DESE. Oversight is uncertain if full-time virtual students would choose to attend a traditional school or potentially return to homeschooling or private school if digital instruction is limited. Oversight will show potential savings to DESE in operational costs and/or the foundation formula call if some students exit the MOCAP program. Oversight assumes the impact could exceed \$250,000.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

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

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
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 2027	FY 2028	FY 2029
Local Government*	\$0	\$0 or (More or less than \$3,492,828)	\$0 or (More or less than \$3,492,828)

*Oversight notes School districts would be required to provide physical manipulatives, instruction in cursive reading and writing and compile annual reports ensuring all aspects of the proposal are being met. Oversight assumes school districts may need additional staffing and materials to meet the requirements of the proposal.

FISCAL ANALYSIS

ASSUMPTION

§160.068 – Technology in Elementary Schools

Digital Instruction Limit

Officials from **Department of Elementary and Secondary Education (DESE)** assume the proposal will have no fiscal impact on their organization.

Oversight notes the proposal would limit digital instruction time to forty-five minutes per student per instructional day, inclusive of all subjects.

Upon further request, **DESE** provided if this legislation were to be passed there would be conflicting laws in place regarding virtual instruction and Missouri Course Access and Virtual School Program (MOCAP). Due to the conflicting nature of the laws, DESE would not be able to estimate the impact this might have on MOCAP until the laws allowing MOCAP and virtual instruction were appealed (§§161.670 & 162.1250). So, at this time DESE assumes there is no way to know if there would be an impact on the formula.

Upon further request, **DESE** provided there will be impact on MOCAP course and full-time providers. As MOCAP is a choice option, it serves students in a variety of circumstances, including:

- Students who are suspended or expelled from their resident districts.
- Students who are medically fragile and cannot attend in-person.
- Students recovering from illness or injury for an extended timeframe.
- Students who are previously homeschooled and join public schools via the MOCAP full-time pathway.

MOCAP serves fewer than 2% of the about 866,000 Missouri public school students, many of whom engage in this online learning option after exhausting other educational options or opportunities.

MOCAP course and full-time providers had a 2024-25 course catalog of about 2,900 courses; about 400, (about 14%) of those courses in 2024-25 were elementary courses for students in grades K-5.

Most MOCAP enrollments represent students in grades 6 through 12. Of the more than 14,000 students participating in MOCAP in 2024-25, about 24% were students in grades K-5.

Without an exception to this proposed legislation for MOCAP, there will be no online public-school options available for students and families at no personal cost, which would be a hardship to students in the situations noted above.

Oversight notes students can choose to take individual online courses to supplement their local school schedule, or they can enroll in full-time virtual programs offered by approved providers through the MOCAP system. Missouri counts students enrolled in MOCAP just like other students when calculating state school aid. That means the students' attendance is included in the host district's enrollment numbers for funding purposes. Oversight notes, based on enrollment numbers provided by DESE, there are about 3,360 ($14,000 \times .24$) elementary students participating in MOCAP.

Oversight notes it is unclear how this proposal would impact DESE or MOCAP. Oversight is uncertain if these affected students would need to attend a traditional school or potentially return to homeschooling or private school. Oversight will show potential savings to DESE in operational costs and/or foundation formula call if some of these students exit the MOCAP program if digital instruction is limited.

Oversight notes there is a potential for full time virtual students to no longer attend public schools and attend private schools or homeschool. Oversight notes these students would no longer be included in the average daily attendance metric used for school funding. Therefore, Oversight will reflect a potential revenue loss to school districts of zero (no students leave) to unknown.

Officials from the **High Point R-III School District** assume the proposal would have a fiscal impact on their organization but did not provide any additional information.

Oversight notes §160.068.2(4-5) of the proposal requires that each elementary school student in kindergarten through grade five shall have daily access to printed books and printed reading materials. Furthermore, elementary school classrooms shall incorporate physical manipulatives in core mathematics and science instruction for all elementary school students in kindergarten through grade five. Oversight notes it is unclear how many elementary schools are not equipped with physical manipulatives or printed textbooks. Therefore, Oversight will show a zero (no additional resources needed) or unknown cost to school districts.

Oversight notes Alternative Methods of Instruction (AMI) days in Missouri allow districts to count home-learning, virtual, or packet-based instruction toward attendance during closures, preventing the need for make-up days. Schools can use up to 36 hours (approx. 6 days) of AMI for emergencies like snow or illness. Oversight is unsure how this legislation would affect school districts' ability to utilize AMI days.

Cursive Writing Instruction

Oversight notes this proposal requires beginning in grade two, all elementary schools shall provide explicit, systematic instruction in cursive handwriting including, but not limited to, letter formation, connecting strokes, and fluency.

In response to similar legislation, HB 1237 (2025), officials from **Washington School District** assumed they will need to write a scope/sequence of instruction, purchase a resource to formally teach cursive, and train teachers on that resource \$70,000 every 5 years.

In response to similar legislation, HB 54 (2019), officials from **Springfield Public Schools** stated it would cost \$85,000 in materials, assessments and teacher time.

In response to similar legislation, HB 108 (2021), officials from the **Bowling Green R-1 School District** stated this proposal is redundant. This is already a communications arts standard in Missouri that requires students in 2nd and 3rd grade to write legibly (print, cursive).

In response to similar legislation, HB 108 (2021), officials from the **Fordland R-III School District**, and the **Shell Knob 78 School District** each assumed the proposal would have no fiscal impact on their respective organizations.

Oversight notes the [English Language Arts Missouri Learning Standards](#) for K-5 include a standard for Grade 2 and Grade 3 to “write legibly (print, cursive)”.

Based on the cost estimate provided by Washington School District \$14,000 ($\$70,000/5$) and the district’s 2nd and 3rd grade enrollment numbers (514), Oversight estimates an annual per student cost of approximately \$27 ($\$14,000/514$).

The statewide total enrollment as of January 2026 for Grade 2 and Grade 3 is 129,364. Assuming a per student cost of \$27, Oversight estimates the cost to implement this proposal at \$3,492,828. However, Oversight notes some districts indicated there would be no fiscal impact from this proposal; therefore, Oversight will show a cost of \$0 (already providing instruction) or less than \$3,492,828.

Oversight notes this proposal requires, for elementary school students in kindergarten through grade five, an annual report provided by the school district which will include the average daily student device-use minutes by grade, a list of software and digital platforms used by elementary school students in kindergarten through grade five, verification that printed textbooks and physical manipulatives are provided and verification of compliance with cursive instruction requirements including, but not limited to, minutes of instruction and proficiency benchmarks. Oversight assumes school districts may need additional staff to collect data required for the annual report. Therefore, Oversight will show a zero (no additional staff needed) or unknown cost to school districts.

Oversight notes this section shall apply for the 2027-28 school year and all subsequent school years. Therefore, Oversight will reflect the costs associated with the implementation of this proposal in FY 2028.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other school districts 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
GENERAL REVENUE			
<u>Savings</u> – DESE (§160.068.2) Operational savings and reduced formula call if students no longer attend MOCAP p.4	\$0	\$0 or Unknown	\$0 or Unknown
ESTIMATED NET EFFECT ON GENERAL REVENUE	\$0	\$0 or Unknown	\$0 or Unknown

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
LOCAL POLITICAL SUBDIVISIONS			
<u>Savings</u> – School Districts (§160.068) No longer paying MOCAP providers for part-time virtual students p.4	\$0	\$0 or Unknown	\$0 or Unknown
<u>Revenue loss</u> - School Districts/Host Schools (§160.068) Full time students leaving MOCAP p.4	\$0	\$0 or (Unknown)	\$0 or (Unknown)
<u>Cost</u> – School districts (§160.068) Additional resources p.4	\$0	\$0 or (Unknown)	\$0 or (Unknown)

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<u>Cost – School districts (§160.068.3)</u> Implementing cursive writing p.4	\$0	\$0 or (Less than \$3,492,828)	\$0 or (Less than \$3,492,828)
<u>Cost – School districts (§160.068.7)</u> Additional staff p.5	\$0	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	\$0	\$0 or (More or less than \$3,492,828)	\$0 or (More or less than \$3,492,828)

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill provides definitions for "digital instruction", "instructional technology" and beginning in the 2027-28 school year, limits the use of digital instruction for students in grades Kindergarten through five to not exceed 45 minutes per day.

The bill requires that schools limit the use of instructional technology in primary instruction for reading, mathematics, handwriting or cursive writings, science lessons that include demonstrations or manipulatives, and social studies.

This bill requires that 70% of assignments be completed using paper and pencil and that cursive writing be mandatory for students in grades two through five. Specific details on cursive instruction requirements for grades two through five are specified and the bill requires that students be able to read and write cursive by end of the fifth grade.

The bill provides for exceptions to the limit on technology including for special-education needs, assistive technology required for student access, and teacher-directed demonstrations.

Schools may not assign homework that uses instructional technology, require that technology devices be transported from school to the home, use technology for classroom management, behavior tracking, or entertainment, replace library time with digital reading labs, or cursive handwriting instruction with typing courses.

The bill outlines required annual reporting for school districts that includes average daily student device-use minutes, listing of all software and digital platforms, and verification of textbooks, manipulative use, and compliance with cursive instruction requirements as provided in the bill.

Districts are instructed to adopt and publish the board policy relating to the use of technology supports on the district website.

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
High Point R-III School District
Springfield Public Schools
Washington School District
Bowling Green R-1 School District
Fordland R-III School District
Shell Knob 78 School District

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