

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3574S.04I
 Bill No.: SB 645
 Subject: Teachers; Education, Elementary and Secondary; Department of Elementary and Secondary Education
 Type: Original
 Date: March 28, 2022

Bill Summary: This proposal modifies and creates provisions regarding the use of certain training, instructional, and curricular materials in public schools and charter schools.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
General Revenue	(\$5,665,886 up to \$6,392,354)	(\$608,028 to Could exceed (\$1,249,595)	(\$614,097 to Could exceed (\$1,262,064)
Total Estimated Net Effect on General Revenue	(\$5,665,886 up to \$6,392,354)	(\$608,028 to Could exceed (\$1,249,595)	(\$614,097 to Could exceed (\$1,262,064)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
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 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
General Revenue	Up to 17 FTE	Up to 17 FTE	Up to 17 FTE
Total Estimated Net Effect on FTE	Up to 17 FTE	Up to 17 FTE	Up to 17 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 2023	FY 2024	FY 2025
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Section 160.516 - School Boards to approve curriculum

Oversight assumes there could be costs for school boards to review, approve and adopt curriculum materials. Additionally, Oversight assumes there could be costs for school districts to collect and display five years of proficiency data on the district's website.

Section 161.023 - Professional Development and Instructional Programs

Officials from **Department of Elementary and Secondary Education (DESE)** state section 161.023 requires them to maintain a database of all administrator, teacher, and staff professional development and instructional programs offered to schools that are paid for with state funds, whether offered directly by the department of elementary and secondary education, another state agency, or by a third-party contractor. All programs must also be open to the public and recorded and accessible to the public free of charge.

DESE estimates an OA-ITSD cost of \$2,000,000 to develop, program, and maintain the information required by this section. DESE will use the staff identified for Section 161.852 to support this work.

Oversight assumes there could be costs for DESE to make all administrator, teacher and staff professional development and instructional programs paid for with state funds available to the public and to make program offerings open for public attendance.

Oversight will show the costs to develop and program the information required in the section as a one-time cost and will show the annual maintenance costs as unknown.

Section 161.852 - Transparency and Accountability Portal

Officials from **Department of Elementary and Secondary Education (DESE)** state this section requires DESE to create the "Missouri Education Transparency and Accountability Portal", an internet-based tool to be a searchable database every public school district's curriculum, source materials, and professional development materials.

DESE assumes that curriculum and source materials would include, but not be limited to, textbooks, lectures, readings, textbooks, multimedia components, and other resources in a class. The collection, categorization, organization, and display of this information would require significant investment in the programming, storage, and maintenance of the portal. DESE will need to stand up an entirely new platform and dedicate full time employee support for the day to day operations of the portal. An entirely new section, as described below, would be responsible

for a majority of these duties. For the purposes of this fiscal note the Department will use the Food and Nutrition Services section as a model for the new section as DESE believes it would similarly constructed.

Department of Elementary and Secondary Education Transparency and Accountability

One (1) Coordinator of Transparency and Accountability - \$62,232

One (1) Data Systems Administrator - \$62,232

Two (2) Directors of Transparency and Accountability - \$102,576

Two (2) Transparency and Accountability Analysts - \$80,496

One (1) Administrative Assistant - \$27,960

Ten (10) Regional Program Specialists - \$314,400

OA-ITSD costs could be up to be up to \$3,000,000 to develop, program, and maintain a statewide database that would house the information required to be included in this database.

In response to a similar proposal, HCS for HBs 1995 & 1474 (2022), **DESE** stated the 10 regional programs specialists would work with school districts to make sure they are uploading all the required information.

Oversight is uncertain if this proposal requires to DESE to ensure compliance by school districts. Therefore, Oversight will show a range of \$0 (ensuring compliance not required) up to the cost estimated by DESE for the 10 Regional Program Specialists FTE depending on the level DESE is engaged in ensuring compliance.

Per **DESE**, OA-ITSD costs could be up to \$3,000,000 to develop, program, and maintain a statewide database that would house the information required to be included in this database.

Oversight will show the costs to develop a statewide database as a one-time cost and will show the annual maintenance costs as unknown.

Section 170.360 - Training and Curriculum

Oversight assumes there could be costs to school districts to collect and display all training materials and curriculum materials related to nondiscrimination, diversity, equity, inclusion, race, ethnicity, sex, or bias.

Additionally, **Oversight** assumes there could be costs for legal services, civil penalties and attorney's fees if a district violates the provisions of this section.

Responses regarding the proposed legislation as a whole

Officials from the **Office of the State Courts Administrator** and the **Missouri Office of Prosecution Services** 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.

Officials from the **Attorney General's Office** did not respond to **Oversight's** request for fiscal impact for this proposal.

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.

<u>FISCAL IMPACT – State Government</u>	FY 2023	FY 2024	FY 2025
GENERAL REVENUE			
<u>Costs</u> - to develop, program and maintain information related to professional development and instructional programs - §161.023 - p.3	(\$2,000,000)	(Unknown)	(Unknown)
<u>Costs</u> - DESE - §161.852 - p.3-4			
Personnel Service	(\$335,496)	(\$338,851)	(\$342,239)
Fringe Benefits	(\$209,951)	(\$211,170)	(\$212,402)
Expense & Equipment	<u>(\$120,439)</u>	<u>(\$58,007)</u>	<u>(\$59,456)</u>
<u>Total Costs</u>	(\$665,886)	(\$608,028)	(\$614,097)
FTE Change	7 FTE	7 FTE	7 FTE
<u>Costs</u> - DESE - §161.852 - p.3-4	0 or...	0 or...	0 or...
Personnel Service	(\$314,400)	(\$317,544)	(\$320,719)
Fringe Benefits	(\$240,013)	(\$241,155)	(\$242,309)
Expense & Equipment	<u>(\$172,055)</u>	<u>(\$82,867)</u>	<u>(\$84,938)</u>
<u>Total Costs</u> - 10 Regional Specialists	(\$726,468)	(\$641,566)	(\$647,966)
FTE Change	0 or 10 FTE	0 or 10 FTE	0 or 10 FTE
<u>Costs</u> - DESE/ITSD - transparency and accountability portal - §161.852 - p.3-4	(\$3,000,000)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE	(\$5,665,886 Up to <u>\$6,392,354</u>)	(\$608,028 to Could exceed <u>(\$1,249,595)</u>)	(\$614,097 to Could exceed <u>(\$1,262,064)</u>)
Estimated Net FTE Change on General Revenue	Up to 17 FTE	Up to 17 FTE	Up to 17 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2023	FY 2024	FY 2025
SCHOOL DISTRICTS & CHARTER SCHOOLS			
<u>Costs</u> - for School Boards to approve curriculum used by the school district - §160.516	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Costs</u> - for School Districts for the collection and display of proficiency data - §160.516.4	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Costs</u> - costs for collection and display of certain training and instructional material as well as staff time and training - §170.360	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Costs</u> - for legal costs, civil penalties and attorney’s fees - §170.360.7	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS & CHARTER SCHOOLS	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This act modifies and creates provisions regarding curricula and programs taught in public schools.

This act prohibits the State Board of Education and the Department of Elementary and Secondary Education from promoting the curriculum to be used in public schools. Each local school board shall be required to approve and adopt the curriculum used by the school district at least six months prior to implementation. Each school board shall adopt policies and procedures to ensure the approved curriculum is properly implemented in the classroom. The act details requirements for the choice of academic class offerings and curriculum materials. At least five years of data showing percentages of students by grade level and proficiency based on state

assessment scores shall be posted in the same section as the curricula on the district's website. (Section 160.516).

All professional development and instructional materials offered to schools that are paid for with state funds, whether offered by the Department or another party shall be fully transparent and available to the public as outlined in the act. Program materials shall be available to the public at no charge on the Department's website and program offerings shall be open for public attendance. The act details the posting and retention requirements for program offerings. For programs offered by third parties, the Department shall maintain data and information on its website as outlined in the act. (Section 161.023).

This act creates the Missouri Education Transparency and Accountability Portal. The portal shall be an internet-based tool creating transparency in Missouri's public education system and providing citizens access to every school district's curriculum, source materials, and professional development materials. The portal shall consist of an easy-to-search database including certain information as outlined in the act. The Commissioner of Education shall establish a form that school districts shall complete with the information required by the act. (Section 161.852).

The act modifies provisions regarding courses on American history to provide that courses on American literature shall be given so students gain an understanding of our government institutions. Such courses on American history and literature shall promote an overall positive and comprehensive history and understanding of the United States. (Section 170.011).

Under this act, school districts and charter schools shall publish on its website all training materials used for staff and faculty training, all instructional materials, and all curricular materials related to nondiscrimination, diversity, equity, inclusion, race, ethnicity, sex, or bias, including certain information as described in the act related to instructional materials and curricular materials. Such materials shall be displayed within 7 days after the use of such materials in training or instruction and shall remain displayed for at least 2 years.

No school district shall permit teachers or administrators to require coursework to include, or a grade or credit to be awarded, for a student's participation in certain political or social advocacy efforts described in the act. No school district or charter school shall compel a teacher, administrator, or student to affirm, adopt, or adhere to any belief or concept that racism, sexism, or certain immutable traits are fundamental or blameworthy, as further described in the act.

No school district shall use public funds to contract, hire, or otherwise engage certain persons to speak on or compel support for such concepts or beliefs, except that such person may be engaged to advocate for such concepts or beliefs if the school district makes clear that it does not support such concepts or beliefs and allows students and employees to opt out from participating.

No school district, public school, or charter school may require a student or employee to attend or participate in a certain training, instruction, or therapy that promote such beliefs or concepts.

This act shall not be construed to prohibit constitutionally-protected speech, access to research or study materials, the discussion or assignment of materials for educational purposes if the school district or school makes clear that it does not support the use of beliefs or concepts otherwise prohibited under the act, or the use of curriculum that teaches the topics of sexism, slavery, racial oppression, racial segregation, or racial discrimination.

Any employee of a school district that discloses a violation of this provision shall be protected from any manner of retaliation as provided by current law.

Suit for alleged violations of the act may be brought by the Department of Elementary and Secondary Education, the Attorney General, local prosecuting attorney, local county counselor, local circuit attorney, or a local resident. Such suit shall be brought in the circuit court for the city or county in which the alleged violator is located. Upon a finding of a violation, injunctive relief shall be issued to correct such violations. Knowing violations shall result in a civil penalty of up to \$1,000, and purposeful violations shall result in a civil penalty of up to \$10,000. Knowing or purposeful violations may also result in an award for attorney's fees and costs.

School districts and charter schools may bring suit in the local circuit court at their own expense, or may seek a formal opinion from the Attorney General, to ascertain the propriety of actions and decisions that may violate this act. Such determination may include a review of proposed uses of school resources or particular materials. (Section 170.360).

This act contains an emergency clause.

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

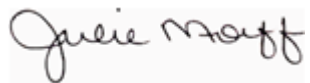
Department of Elementary and Secondary Education
Missouri Office of Prosecution Services
Office of the State Courts Administrator
Office of the Secretary of State
Joint Committee on Administrative Rules

L.R. No. 3574S.04I

Bill No. SB 645

Page **10** of **10**

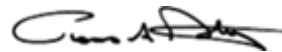
March 28, 2022

Handwritten signature of Julie Morff in black ink.

Julie Morff

Director

March 28, 2022

Handwritten signature of Ross Strobe in black ink.

Ross Strobe

Assistant Director

March 28, 2022