

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4415H.011  
 Bill No.: HB 2197  
 Subject: Education, Elementary And Secondary; Education, Higher; Elementary And Secondary Education, Dept. Of; Higher Education And Workforce Development, Department Of  
 Type: Original  
 Date: March 4, 2022

Bill Summary: This proposal establishes guidelines for student participation in athletic contests organized by sex.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Colleges & Universities	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

\*The University of Missouri System stated the fiscal impact to their college could exceed \$100,000 annually; therefore, it is assumed the unknown impact could possibly reach the \$250,000 across all higher education institutions annually.

Numbers within parentheses: () indicate costs or losses.

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

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §§163.048 and 173.088 – Guidelines for student participation in athletic contests organized by sex

Officials from the **University of Missouri System** state this legislation could have a negative fiscal impact on the University of Missouri System in an amount greater than \$100,000. NCAA policies provide that rules governing participation in each sport should be determined by the national governing body for that sport. As a result, implementing separate policies could have a negative impact on the University's athletic programs and associated economic activity.

Officials from the **University of Central Missouri (UCM)** state this proposal would have an indeterminate fiscal impact on the UCM.

**Oversight** does not have any information to the contrary. Oversight will range the fiscal impact to colleges and universities from \$0 to a negative unknown. Because the University of Missouri System stated the fiscal impact to their college could exceed \$100,000 annually, Oversight assumes the unknown impact could exceed \$250,000 annually.

Officials from the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, **St. Charles Community College** and the **Office of the State Courts Administrator** 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 colleges and universities as well as school districts were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

Officials from the **Attorney General’s Office** did not respond to Oversight’s request for a statement of fiscal impact.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
<b>COLLEGES &amp; UNIVERSITIES</b>			
<u>Costs – Colleges &amp; Universities</u> (§§163.048 and 173.088) – sport participation	<u>\$0 to</u> (Unknown)	<u>\$0 to</u> (Unknown)	<u>\$0 to</u> (Unknown)
<b>ESTIMATED NET EFFECT ON COLLEGES &amp; UNIVERSITIES</b>	<b><u>\$0 to</u></b> <b>(Unknown)</b>	<b><u>\$0 to</u></b> <b>(Unknown)</b>	<b><u>\$0 to</u></b> <b>(Unknown)</b>

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill defines "sex" as, the two main categories of male and female into which individuals are divided based on an individual's reproductive biology at birth and the individual's genome.

The bill prohibits public school districts and institutions of higher education from allowing an individual of the male sex to participate in a sport designated for the female sex as determined

by the student's official birth certificate, or if unobtainable, another government record.

The bill clarifies that biological sex is only correctly stated on birth certificates if it was entered at or near the time of birth or modified to correct scrivener's error.

Any public school district or institution of higher education that violates this prohibition will be ineligible for state aid or other revenue from the state.

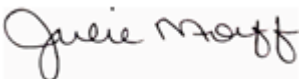
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

#### SOURCES OF INFORMATION

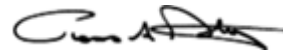
Department of Elementary and Secondary Education  
Department of Higher Education and Workforce Development  
Office of the Secretary of State  
Office of the State Courts Administrator  
University of Missouri System  
University of Central Missouri  
St. Charles Community College

#### NOT RESPONDING

Attorney General's Office



Julie Morff  
Director  
March 4, 2022



Ross Strobe  
Assistant Director  
March 4, 2022