

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3580-02  
Bill No.: SCS for SB 701  
Subject: Higher Education; Military Affairs; National Guard  
Type: Original  
Date: February 17, 2005

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**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>       |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                                      | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
|   |                |                |                |
|   |                |                |                |
| <b>Total Estimated Net Effect on General Revenue Fund</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>              |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>  | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
|   |                |                |                |
|   |                |                |                |
| <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.  
This fiscal note contains 4 pages.

| <b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>                  |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>  | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</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 LOCAL FUNDS</b> |                |                |                |
|--|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                       | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
| <b>Local Government</b>                    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

**FISCAL ANALYSIS**

ASSUMPTION

Officials from the **Coordinating Board for Higher Education** assume the proposal would not fiscally impact their agency.

Officials from the **Department of Public Safety - Director's Office** assume the proposal would not fiscally impact their agency.

Officials from the **Department of Public Safety - Office of the Adjutant General (OTAG)** state the National Guard Tuition Assistance statute requires a recipient of State Tuition Assistance (TA) to remain an active member of the military organization for three years after the last course of study is completed in which the recipient received state TA.

The proposed revision to the law would grant credit to the 3 year military membership commitment required of State TA grantees, each semester of military active duty performed.

OTAG assumes no fiscal impact on state programs they administer.

ASSUMPTION (continued)

According to the Department of Public Safety budget request, the number of Missouri National Guard Education/Tuition Grants awarded in the previous years were;

| <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006 Proj.</u> |
|-------------|-------------|-------------|-------------|-------------------|
| 1,604       | 1,624       | 1,117       | 916         | 1,008             |

Also according to the Department of Public Safety budget request, the expenditures for this program for the past three fiscal years have been;

| <u>FY 2003</u> | <u>FY 2004</u> | <u>FY 2005</u> |
|----------------|----------------|----------------|
| \$2,241,493    | \$1,669,898    | \$1,402,950    |

**Oversight** assumes the proposal would not result in a direct fiscal impact to the state.

| <u>FISCAL IMPACT - State Government</u> | <u>FY 2007</u><br>(10 Mo.) | <u>FY 2008</u> | <u>FY 2009</u> |
|---|----------------------------|----------------|----------------|
|   | <u>\$0</u>                 | <u>\$0</u>     | <u>\$0</u>     |

| <u>FISCAL IMPACT - Local Government</u> | <u>FY 2007</u><br>(10 Mo.) | <u>FY 2008</u> | <u>FY 2009</u> |
|---|----------------------------|----------------|----------------|
|   | <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.

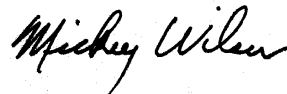
## DESCRIPTION

This proposal provides that if a recipient of educational assistance under the act ceases to maintain their active military affiliation while enrolled in an academic semester or term at an institution of higher education for any reason except death, disability, or medical disqualification, the educational assistance shall be terminated and the recipient shall be required to repay any amounts awarded under this section. The act also eliminates the provision which states that the recipient must repay assistance awarded if he or she ceases to maintain their military affiliation within three years after completion of a course of study.

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 Public Safety  
Coordinating Board for Higher Education



Mickey Wilson, CPA  
Director  
February 17, 2005