

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0664-07
Bill No.: Truly Agreed To and Finally Passed CCS for HCS for SCS for SB 117
Subject: Education, Higher; Higher Education Department; Military Affairs; Veterans
Type: Original
Date: May 30, 2013

Bill Summary: This proposal relates to military affairs.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Universities	(More than \$100,000)	(More than \$100,000)	(More than \$100,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(More than \$100,000)	(More than \$100,000)	(More than \$100,000)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	(More than \$100,000)	(More than \$100,000)	(More than \$100,000)

FISCAL ANALYSIS

ASSUMPTION

§ 8.012 and 253.048 - Honor and Remember Flag:

Officials at the **Office of Administration - Division of Facilities Management, Design and Construction (OA-FMDC)** state the fiscal impact of this proposal depends on the size of the flag pole, the construction type, and height of each flag pole at each location. These factors will determine whether an additional flag added to current poles would require a replacement for a bigger diameter of flag pole and a higher flag pole.

OA-FMDC states flying more than one flag on a pole increases the stress on the flag pole. The flag industry recommends that the length of a flag be around $\frac{1}{4}$ the length of the pole and the total square footage of flag load should not exceed the recommendation of the manufacturer. A 20' pole is designed for a 3' x 5' flag. The greater the flag load, the greater the chance that you can break the flag pole. Flying increased flag loads or flying increased flag loads in higher winds than recommended ratings may result in damage to the flag pole.

OA-FMDC states many current flag poles across the state have three flags already flying, the United States flag, State of Missouri flag, and POW-MIA flag. The additional flag at a lower height will increase the flag load and the flag could get caught in and flap against buildings, trees, gutters, rough surfaces causing the flag to tear more easily.

OA-FMDC assumes the fiscal impact of this proposal could exceed \$625,000.

Oversight assumes the proposal permits state agencies and state parks to fly the Honor and Remembrance flag on existing flag poles that are currently flying the United States flag, State of Missouri flag, and in some cases the POW-MIA flag.

Oversight assumes OA-FMDC and other state agencies are provided with core funding to handle a certain amount of equipment and maintenance activity. **Oversight** assumes any additional expense to purchase and maintain the flags and flag poles could be absorbed by OA-FMDC and other state agencies **if** the agency decides to fly the Honor Remember flag on an existing or an additional flag pole.

Officials from the **Department of Natural Resources** assumed no fiscal impact to their agency.

Oversight assumes the language in this section is permissive and, for fiscal note purposes only,

ASSUMPTION (continued)

will assign no fiscal impact.

§173.1150 - Military resident student status

Officials from **Linn State Technical College** stated this proposal will have an unknown fiscal impact on their college.

Officials from the **University of Missouri System** stated this proposal is estimated to cost approximately \$100,000 per year.

Officials from **Northwest Missouri State University** assumed there will be fiscal impact, but cannot quantify or project the impact without knowing the exact number of military members who will enroll as a result of this proposal.

The **University of Central Missouri (UCM)** estimates this proposal would have little, if any, fiscal impact on UCM because the university already awards resident status to active duty military personnel, including those separating from the military.

In response to House Committee Substitute for Senate Committee Substitute for SB 117 the following responses were submitted:

Officials from **Lincoln University** estimated this legislation may cost \$60,000 annually.

Officials from **Missouri Southern State University** assumed an indeterminate fiscal impact.

Oversight assumes the cumulative negative fiscal impact on colleges and universities will exceed \$100,000 per year for loss of out-of-state tuition.

Also in response to House Committee Substitute for Senate Committee Substitute for SB 117, officials from the **Office of Secretary of State (SOS)** assumed many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS's office 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 Secretary of State's office for Administrative Rules is less than \$2,500. SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, 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

ASSUMPTION (continued)

their office can sustain with their core budget. Therefore, 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 assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal with core funding. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

§452.413 - Custody and visitation rights of a deploying military parent

Officials from the **Department of Social Services (DSS)** state this section does not contain any language that would indicate it pertains to custody orders administered by the juvenile or family courts (in accordance with Chapter 210 or 211) in the interest of children placed in the custody of the Children’s Division (CD). Therefore, the proposal would not fiscally impact the CD.

In addition, officials from the DSS state since rulings and resolutions regarding child support are determined by judges or parents - not the Family Support Division (FSD), this proposal would not have any impact on child support policy or procedure and, therefore, would not have any fiscal impact on the FSD.

Bill as a whole:

Officials from the **Department of Higher Education, Joint Committee on Administrative Rules, Department of Public Safety - Missouri Veterans Commission and Missouri National Guard, Kansas City Metropolitan Community College, and Missouri State University** each assumed the proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
UNIVERSITIES			
<u>Loss</u> - Universities - Out of State tuition (§173.1150)	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)
ESTIMATED NET EFFECT ON UNIVERSITIES	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)

LMD:LR:OD

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
LOCAL POLITICAL SUBDIVISIONS			
<u>Loss - Community Colleges - Out of State tuition (§173.1150)</u>	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

§173.1150 - Military resident student status

This act allows any individual who is separating from the military forces of the United States with an honorable discharge or a general discharge to be considered a resident student for admission and in-state tuition purposes at an approved public four-year institution of higher education or in-state and in-district for admission and tuition at any approved public two-year institution of higher education.

The separating military member must demonstrate presence and declare residency within Missouri and, if attending a community college, shall demonstrate presence and declare residency within the taxing district of the community college he or she attends.

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 Higher Education
Department of Public Safety
 Missouri Veterans Commission
 Missouri National Guard
Department of Social Services
Office of Administration
 Division of Facilities Management, Design and Construction
Joint Committee on Administrative Rules
Office of Secretary of State
 Administrative Rules Division
Department of Natural Resources
Colleges and Universities
 University of Missouri System
 Linn State Technical College
 Kansas City Metropolitan Community College
 Missouri State University
 Missouri Southern State University
 University of Central Missouri
 Northwest Missouri State University
 Lincoln University



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