

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0943S.01I  
 Bill No.: SB 120  
 Subject: Education, Elementary and Secondary; Elementary and Secondary Education,  
 Department of; Federal - State Relations; Holidays and Observances; Insurance -  
 Automobile; Merit System; Military Affairs; State Departments; Veterans  
 Type: Original  
 Date: January 26, 2021

Bill Summary: This proposal modifies provisions relating to military affairs.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue Fund	Could exceed (\$265,265)	\$0	\$0
<b>Total Estimated Net Effect on General Revenue</b>	<b>Could exceed (\$265,265)</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
<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.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
Federal Funds	(\$164,000)	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>(\$164,000)</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
Local Government	\$0	\$0	\$0

## FISCAL ANALYSIS

### ASSUMPTION

#### Section 42.390 – Veteran Question on State Agency Form

Officials from the **Department of Higher Education and Workforce Development (DHEWD)** state that this section of the legislation states every state agency shall ensure that any form, including digital forms posted on an Internet website, used to collect data from individuals include the following questions in substantially similar form: (1) Have you ever served on active duty in the Armed Forces of the United States and separated from such service under conditions other than dishonorable? (2) If answering question (1) in the affirmative, would you like to receive information and assistance regarding the agency's veteran services? 2. Every state agency shall prepare information regarding the agency's applicable services and benefits that are available to veterans and provide such information to those who answer the questions provided in subsection 1 of this section in the affirmative.

As a result, the Journey to College Website would need to be modified to meet this new statutory requirement. The OA-ITSD staff estimate the costs as follows:

To add the following two questions:

- (1) Have you ever served on active duty in the Armed Forces of the United States and separated from such service under conditions other than dishonorable?
- (2) If answering question (1) in the affirmative, would you like to receive information and assistance regarding the agency's veteran services?

To:

- The State Financial Aid Portal Registration Form
- The Eligibility Estimator
- Student Workspace Registration Form

And to the following application forms located within the Student Portal:

- Fast Track Workforce Incentive Grant
- Minority and Underrepresented Environmental Literacy Program
- Public Service Officer Survivor Grant
- Wartime Veteran's Survivors Grant

If a student answers yes to both questions, would need a notification email automatically sent to a member of the DHEWD staff.

The anticipated ITSD contractor costs are estimated at 331.56 hours at a rate of \$95 per hour for a total cost of \$31,498. The department is the smallest in state government and does not have extra general revenue to absorb these costs.

**Oversight** notes ITSD assumes that every new IT project/system will be bid out because all their resources are at full capacity. For this bill, ITSD assumes they will contract out the programming changes needed for updating DHEWD forms. ITSD estimates the project would take 331.56 hours at a contract rate of \$95 for a total cost of \$31,498 to the General Revenue Fund.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect the cost estimates provided by DHEWD.

Officials from the **Department of Revenue (DOR)** state that this section of the proposal states every state agency shall ensure that any form, including digital forms posted on an Internet website, used to collect data from individuals include the following questions in substantially similar form: 1) Have you ever served on active duty in the Armed Forces of the United States and separated from such service under conditions other than dishonorable? And 2) if answering question (1) in the affirmative, would you like to receive information and assistance regarding the agency's veteran services?

DOR assumes the following:

**MVB - Administrative Impact**

DOR's assumption is that the proposed language is to ensure all eligible military veterans receive information regarding the Department's benefits. To ensure 100% compliance, a statement will be included on all Department printed forms and receipts to incorporate the answer to the Department's question.

**FY2022 – Motor Vehicle Bureau (MVB)**

Associate Research/Data Analyst	76 hrs.	@ \$18.50 per hr.	= \$1,406
Research/Data Analyst	19 hrs.	@ \$23.09 per hr.	= \$ 439
Administrative Manager	10 hrs.	@ \$21.57 per hr.	= \$ 216
Total			\$2,061

**FY 2022 – Strategy and Communications Bureau**

Associate Research/Data Analyst	250 hrs.	@ \$18.75 per hr.	= \$ 4,688
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**DLB - Administrative Impact**

To implement the proposed change, the Department would be required to:

- Update all Department printed and digital forms provided to citizens to include the information required by the proposed language and references to applicable links to the website that provides details on Department services available to Veterans;
- Complete business requirements and design documents to modify the Missouri Electronic Driver License (MEDL) issuance system and MEDL central application to amend forms to include the proposed information ; and
- Complete programming and user acceptance testing of the Missouri Electronic Driver License (MEDL) issuance system.
- Modify website, forms and online interactive information (DORA) as applicable.

The Department assumes for purpose of this fiscal note that we will provide the proposed information on forms that also includes a link to where to find details on services provided by the Department for Veterans. We will not be collecting and storing Veteran personal information or responses specific to the proposed questions and will not be mailing printed materials, therefore only administrative impact is being estimated.

**FY 2022 – Driver License Bureau**

Research/Data Analyst	320hrs. @ \$23.82 per hr.	= \$7,622
Administrative Manager	60 hrs. @ \$22.24 per hr.	= \$1,334
Total		= \$8,956

**FY 2022 – Personnel Services Bureau**

Associate Research/Data Analyst	100 hrs. @ \$19.09 per hr.	= \$1,909
Associate Research/Data Analyst	100 hrs. @ \$19.09 per hr.	= \$1,909
Total		= \$3,818

In summary, DOR assumes a cost of \$19,288 (\$2,061 + \$4,688 + \$8,956 + \$3,818) in FY 2022 to provide for the implementation of the changes in this proposal.

DOR also assumes this proposal would require OA-ITSD cost of \$69,767 for analysis, design and development needed for updating DOR forms.

**Oversight** assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb the administrative costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

**Oversight** notes ITSD assumes that every new IT project/system will be bid out because all their resources are at full capacity. For this bill, ITSD assumes they will contract out the programming changes needed for updating DOR forms. ITSD estimates the project would take 734.39 hours at a contract rate of \$95 for a total cost of \$69,767 to the General Revenue Fund.

Officials from the **Department of Social Services (DSS)** assume the proposed subsection 42.390.1 requires every state agency to ensure that any form, including digital forms posted on

an Internet website, used to collect data from individuals include the following questions in substantially similar form:

- (1) Have you ever served on active duty in the Armed Forces of the United States and separated from such service under conditions other than dishonorable?
- (2) If answering question (1) in the affirmative, would you like to receive information and assistance regarding the agency's veteran services?

Subsection 42.390.2 also requires every state agency to prepare information regarding the agency's applicable services and benefits that are available to veterans and provide such information to those who answer in the affirmative to the questions provided in subsection 1.

**Child Support (CS):**

The FSD child support program has approximately 27 forms (including forms on the Internet) that are used to collect data from individuals. The FSD child support program would be required to revise these 27 forms to include the language from subsection 42.390.1. The revision to forms can be accomplished with existing staff.

FSD child support has several pamphlets that discuss child support services. FSD child support may need to revise these pamphlets or develop new pamphlets specifically to include information concerning veterans. This can be accomplished with existing staff. Therefore, there is no fiscal impact to the child support program.

**Income Maintenance (IM):**

FSD currently has separate applications for the MO HealthNet for Aged, Blind and Disabled (MHABD), Family MO HealthNet (MAGI), Child Care Subsidy (CCS), Supplemental Nutrition Assistance Program (SNAP), and Temporary Assistance for Needy Families (TANF) programs. FSD is currently in the process of transitioning to the use of one core application in the coming months. The core application will capture information required for all programs. FSD assumes these questions can be incorporated into the core application for all programs.

FSD currently has four digital-fillable-printable applications located at [mydss.mo.gov](http://mydss.mo.gov) for TANF, CCS, SNAP, and MHABD. The digital application for MAGI can be completed and submitted online through the [mydss.mo.gov](http://mydss.mo.gov) web page. Should the changes to this section become law, these digital applications would require a language update.

If the provisions of this legislation are enacted, the additional language would require approval from our federal partners (Food Nutrition Services (FNS) for SNAP, Centers for Medicare and Medicaid Services (CMS) for Medicaid programs, and Administration for Children and Families (ACF) for TANF and CCS). FSD estimates this process could take up to six months to complete. Therefore, FSD would be unable to implement the provisions of this legislation until approximately April 2022. Should the federal partners not approve the wording changes, FSD would be unable to add the questions to the application(s).

In addition, FSD IM currently has approximately 41 non-application forms (in both paper and digital format) that are used to collect data from individuals, which may require language updates.

All programs administered by FSD can be accessed by veterans if all other criteria are met. However, FSD IM does not currently administer any program specifically for veterans. FSD IM has several pamphlets that discuss needs-based programs that are available both digitally and in paper form. FSD IM may need to revise these pamphlets or develop new pamphlets specifically to include information concerning veterans. FSD IM assumes the addition of this language can be done at the periodic reprinting of the brochures and this can be accomplished with existing staff.

Therefore, there is no fiscal impact to FSD IM.

**Rehabilitation Services for the Blind (RSB):**

FSD RSB has several pamphlets regarding the agency's services and benefits available that may need to be revised. This can be accomplished with existing staff.

FSD RSB would have a cost associated with updating the AWARE case management system to include the questions regarding military service. Based on similar changes to the system, it is estimated that the cost to complete the changes would be approximately \$14,732.

Therefore, the fiscal impact to FSD RSB would be the one time cost of approximately \$14,732.

FSD defers to OA-ITSD for cost of system changes necessary to implement the provisions of this legislation.

Therefore, the fiscal impact to FSD would be the one time cost of approximately \$14,732.

**Children's Division:**

The Children's Division has approximately 448 forms that are electronically located on the internet. The Children's Division does anticipate there will be a fiscal impact of at least \$7,000 to update electronic forms on the internet if this bill is passed.

In summary, DSS assumes a cost of \$21,732 (\$14,732 + \$7,000) split 50/50 between General Revenue (\$10,866) and Federal Funds (\$10,866) in FY 2022 to provide for the implementation of the changes in this proposal.

DSS also assumes this proposal would require OA-ITSD cost of \$328,001 for analysis, design and development needed for updating DSS forms.

**Oversight** assumes DSS is provided with core funding to handle a certain amount of activity each year. Oversight assumes DSS could absorb the administrative costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DSS could request funding through the appropriation process.

**Oversight** notes ITSD assumes that every new IT project/system will be bid out because all their resources are at full capacity. For DSS, ITSD assumes they will contract out the programming changes needed for updating DSS forms. ITSD estimates the project would take 2,796.12 hours at a contract rate of \$95 and 356.40 at a contract rate of \$175 for a total cost of \$328,001 (split 50% GR; 50% Federal)

In summary, ITSD estimates this project would take 3,862.07 hours and assumes a cost of \$429,266 (\$31,498 DHEWD + \$69,767 DOR + \$328,001 DSS) in FY 2022 to provide for the implementation of the changes in this proposal.

**Oversight** notes that an average salary for a current IT Specialist within ITSD is approximately \$54,641, which totals roughly \$85,000 per year when fringe benefits are added. Assuming that all ITSD resources are at full capacity, Oversight assumes ITSD may (instead of contracting out the programming) hire an additional IT Specialist to perform the work required from this bill; however, for fiscal note purposes, Oversight will reflect the ITSD estimated cost of \$265,265 to the General Revenue Fund and \$164,000 to Federal Funds in FY 2022.

Officials from the **Office of Administration (OA)** state that section 42.390 requires two questions to be added to every form collected from individuals by every state agency.

Office of Administration, Division of FMDC state that their division would need to amend approximately 12 applicable forms. It would take approximately 80 hours to amend these forms and to compile the information about veteran's services required in this bill. This is estimated to cost FMDC \$3,262.

Office of Administration, Division of Personnel state that their division would need to update the application form to collect data related to this bill. The agency then would have to work with agencies with veteran services to provide information to each individual that would qualify for the benefit. In order to update all the forms required for this information a minimum of an additional 40 hours of staff member time would be used to complete this work. The projected cost for this work is \$1,169.60. The cost of staff time for providing services for qualified individuals is currently unknown as it would depend on the number of interested and qualified individuals.

Office of Administration, Division of Purchasing state that their division would need to amend several forms and depending on the interpretation of the bill have the potential for the need to incorporate into each solicitation. It is estimated to take 80 hours of staff time to make the necessary reviews to forms and template documents and to make any necessary updates, for a total estimated cost of \$3,258.

**Oversight** assumes OA is provided with core funding to handle a certain amount of activity each year. Oversight assumes OA could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, OA could request funding through the appropriation process.

Officials from the **Department of Health and Senior Services** state that this section of the legislation requires every state agency to ensure that any form, including digital forms posted on an internet website, used to collect data from individuals includes the option to request information regarding the agency's applicable services and benefits that are available to veterans. Updates to digital forms posted on an internet website would be conducted by ITSD. However, updating paper applications and forms would be conducted by the Department of Health and Senior Services, Division of Regulation and Licensure (DRL) and are within the normal duties of the division. Minimal time and expense will be required by DRL to conduct these requirements of the proposed legislation.

It is assumed it will take two (2) Regulatory Compliance Managers (average salary \$68,802) approximately 40 hours each to make changes to multiple programmatic state rules, policies and procedures. Based on 2,080 working hours per year, this would require 0.02 FTE (40 hours / 2,080 hours per year) each to assume these duties for a total personal service cost of \$2,752 (\$68,802 x 0.02 x 2).

The department anticipates being able to absorb these costs; however, until the FY22 budget is final, the department cannot identify specific funding sources.

Officials from the **Attorney General's Office**, the **Department of Commerce and Insurance**, the **Department of Economic Development**, the **Department of Elementary and Secondary Education**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Corrections**, the **Department of Labor and Industrial Relations**, the **Department of Public Safety (Office of the Director, Capitol Police, Alcohol & Tobacco Control, Fire Safety, Gaming Commission, Missouri Highway Patrol, Missouri National Guard, State Emergency Management Agency and Veterans Commission)**, the **Office of the Governor**, the **Joint Committee on Administrative Rules**, the **Joint Committee on Public Employee Retirement**, the **Missouri Lottery Commission**, the **Missouri Consolidated Health Care Plan**, the **Department of Agriculture**, the **Missouri Department of Conservation**, the **Missouri Ethics Commission**, the **Missouri House of Representatives**, the **Department of Transportation**, the **Office of Prosecution Services**, the **Office of Administration (Administrative Hearing Commission and Budget and Planning)**, the **Office of the State Courts Administrator**, the **Office of the State Auditor**, the **Missouri Senate**, the **Office of the Secretary of State**, the **Office of the State Public Defender**, the **Office of the State Treasurer** and the **State Tax Commission** each assume the proposal will have no fiscal impact on their respective organizations for this proposal.

**Oversight** notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

Officials from the **Office of the Secretary of State** did not respond to **Oversight's** request for fiscal impact for this proposal. Oversight will assume the SOS may have impact similar to those

listed above and will reflect a \$0 or (Unknown) additional cost to GR for programming changes to add this change to their forms.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
<b>GENERAL REVENUE FUND</b>			
<u>Cost – OA-ITSD</u>			
DHEWD form update	(\$31,498)	\$0	\$0
DOR form update	(\$69,767)	\$0	\$0
DSS form update	(\$164,000)	\$0	\$0
<u>SOS or other state entity</u>	<u>\$0 or (Unknown)</u>		
<u>Total Cost – OA- ITSD</u>	<u>Could exceed (\$265,265)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND</b>	<b><u>Could exceed (\$265,265)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>FEDERAL FUNDS</b>			
<u>Cost – OA-ITSD</u>			
DSS Form Update	(\$164,000)	\$0	\$0
<b>ESIMATED NET EFFECT TO FEDERAL FUNDS</b>	<b><u>(\$164,000)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<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

VETERAN QUESTIONS ON STATE AGENCY FORMS (Section 42.390)

This act requires that every state agency shall ensure that any form used to collect data from individuals include the following questions:

- (1) Have you ever served on active duty in the Armed Forces of the United States and separated from such service under conditions other than dishonorable?
- (2) If answering Question 1 in the affirmative, would you like to receive information and assistance regarding the agency's veteran services?

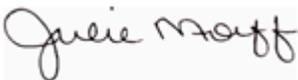
Every state agency shall prepare information regarding applicable services and benefits that are available to veterans and provide such information to those who answer the questions in the affirmative.

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

Attorney General's Office  
Department of Commerce and Insurance  
Department of Economic Development  
Department of Elementary and Secondary Education  
Department of Higher Education and Workforce Development  
Department of Health and Senior Services  
Department of Mental Health  
Department of Natural Resources  
Department of Corrections  
Department of Labor and Industrial Relations  
Department of Revenue  
Department of Public Safety  
Department of Social Services  
Office of the Governor  
Joint Committee on Administrative Rules  
Missouri Lottery Commission  
Legislative Research

Oversight Division  
Missouri Consolidated Health Care Plan  
Missouri Department of Agriculture  
Missouri Department of Conservation  
Missouri Ethics Commission  
Missouri House of Representatives  
Office of the Lieutenant Governor  
Missouri Department of Transportation  
Missouri State Employee's Retirement System  
MoDOT & Patrol Employees' Retirement System  
Missouri Office of Prosecution Services  
Office of Administration  
Facilities Management, Design and Construction  
Office of the State Courts Administrator  
Office of the State Auditor  
Missouri Senate  
Office of the Secretary of State  
Office of the State Public Defender  
Office of the State Treasurer  
State Tax Commission



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