

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1075S.07P
 Bill No.: Perfected SS for SCS for SB 57
 Subject: Business and Commerce; Economic Development; Economic Development,
 Department of; State Treasurer; Law Enforcement Officers and Agencies; Public
 Safety, Department of
 Type: Original
 Date: April 13, 2021

Bill Summary: This proposal modifies provisions relating to funding to certain organizations to deter criminal behavior.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2022	FY 2023	FY 2024	Fully Implemented (FY 2025)
General Revenue*	(\$1,961,980 or could exceed \$2,126,740)	(\$1,987,401 or could exceed \$2,162,584)	(\$1,988,953 or could exceed \$2,164,781)	(\$1,990,523 or could exceed \$2,101,040)
Total Estimated Net Effect on General Revenue	(\$1,961,980 or could exceed \$2,126,740)	(\$1,987,401 or could exceed \$2,162,584)	(\$1,988,953 or could exceed \$2,164,781)	(\$1,990,523 or could exceed \$2,101,040)

***Oversight** notes the range in the fiscal impact stems from two components: 1. Costs include 24,145 POST-certified peace officers in Missouri meeting with a program service provider (\$300 per) once every 4 years, plus the cost of 2 new Department of Public Safety employees to monitor. 2. a range of \$0 (no state appropriation made to the Economic Distress Zone Fund and, therefore, no administrative expenses incurred by the Department of Public Safety), to an appropriation to the new fund of **at least** \$100,000 and a corresponding need for a new DPS employee (at a cost of roughly \$75,000 per year) to administer this new program...all subject to appropriation.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2022	FY 2023	FY 2024	Fully Implemented (FY 2025)
988 Public Safety Fund*	\$0	\$0	\$0	\$0
Economic Distress Zone Fund*	\$0	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0	\$0

*Revenue and expenses net to zero.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2022	FY 2023	FY 2024	Fully Implemented (FY 2025)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2022	FY 2023	FY 2024	Fully Implemented (FY 2025)
General Revenue	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE
988 Public Safety Fund	2 FTE	2 FTE	2 FTE	2 FTE
Total Estimated Net Effect on FTE	2 or 3 FTE	2 or 3 FTE	2 or 3 FTE	2 or 3 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 2022	FY 2023	FY 2024	Fully Implemented (FY 2025)
Local Government	\$0	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§590.192 – Mental health programs for law enforcement officers

Officials from the **Department of Public Safety - Office of the Director (DPS)** state this proposal establishes a new program, the "Critical Incident Stress Management Program" within the Department of Public Safety. In order to accomplish the many duties and responsibilities required under this bill, the DPS will need one (1) Program Manager. Additionally, this proposal establishes a new fund, 988 Public Safety Fund, to support the services provided for peace officers under subsection 1. In order to manage the new fund, the DPS is requesting one (1) FTE Program Specialist.

Oversight notes §590.192 creates the "Critical Incident Stress Management Program". The program will provide services to peace officers to assist in coping with stress and potential psychological trauma resulting from a response to a critical incident or emotionally difficult event. All peace officers will be required to meet with a program service provider once every three to five years for a mental health check-in. The program service provider will send a notification to the peace officer's commanding officer when the check-in is complete. It also creates the 988 Public Safety Fund to be used solely by DPS for the purpose of providing services for peace officers affected by a critical incident.

Oversight contacted the POST commission to determine the number of licensed peace officers in Missouri. POST stated the total number of licensed and commissioned peace officers in the state is 24,145. This number includes working and not-currently working officers. Of this number, 14,836 are working full-time and 1,799 are reserve (part-time) officers. Because this legislation states all peace officers, Oversight will use the 24,145 number to determine a fiscal impact. At a cost of \$300 per visit (estimated by the MHP), Oversight will reflect costs of \$7,243,500 over a four-year period $[(24,145 * 300)/4 = \$1,810,875]$, plus FTE costs as presented by DPS.

Additionally, Oversight will reflect the possibility that the General Assembly could appropriate moneys to this new fund from the General Revenue Fund. Oversight assumes all appropriated moneys, if any, will be expended in the same year on services such as consultation, risk assessment, education, intervention, and other crisis intervention services. For fiscal note purposes, Oversight assumes expenses and services provided under this proposal will equal income and net to zero.

Officials from the **Office of Administration - Budget and Planning (B&P)** state this section establishes the 988 Public Safety Fund. This provision will impact General Revenue (GR) expenditures to the extent the General Assembly appropriates existing GR dollars to the fund. B&P defers response to DPS on the impact.

Officials from the **Department of Public Safety - Missouri Highway Patrol** assume the proposal will have no fiscal impact on their organization.

In response to a similar proposal from 2021 (SCS for SB 551), officials from the **MHP** stated the Patrol currently provides counseling services to their peace officers who are involved in a critical incident like those described in 590.192.1 of this bill. Section 590.192.2 of this bill mandates all peace officers meet with a program service provider once every three to five years. Currently, the Patrol has 1,339 total peace officers, this includes members, Gaming officers, DDCC, and CVOs. This bill would require 447 (1,339 officers divided by 3) officers per year to meet with the program service provider. At an estimated cost of \$300 per visit, there will be a total expense per year of \$134,100.

In response to a similar proposal from 2021 (SCS SB 551), from the **Attorney General's Office**, the **Office of the State Treasurer**, and the **St. Joseph Police Department** each assumed 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.

§650.550 – Economic Distress Zone Fund

Officials from the **Department of Public Safety - Office of the Director (DPS)** state this proposal creates a new fund in the state treasury to be used solely by the DPS for the purposes of providing funding to organizations registered with the United States Internal Revenue Services as a 501(c)(3) corporation that provide services to residents of this state in areas of high incidents of crime and deteriorating infrastructure, for the purpose of deterring criminal behavior in such areas. The DPS shall promulgate rules to carry out the provisions of this section, including delineating what constitutes an area with high incidents of crime and deteriorating infrastructure. Any moneys appropriated and any other moneys made available by gift, grant, bequest, contribution, or otherwise to carry out the purpose of this section, and all interest earned on, and income generated from, moneys in the fund shall be paid to, and deposited in, the Economic Distress Zone Fund.

The DPS believes it will require one (1) Public Safety Program Specialist to administer the fund, promulgate rules and determine and disseminate criteria for such a program.

Oversight assumes DPS could absorb some of the additional duties without adding an FTE; however, DPS has stated these costs cannot be absorbed. Therefore, depending upon the number of 501(c)(3) corporations that qualify for DPS funding and the amount of appropriations available, Oversight will range the cost from \$0 (additional duties can be absorbed) to the estimate provided by DPS (FTE is needed) to the General Revenue Fund. Oversight will range the amount of state appropriations for this program from \$0 to Could exceed \$100,000.

Oversight notes the provisions of this section terminate on August 28, 2024. Therefore, Oversight include two months of costs for DPS for FY 2025.

Oversight assumes an unknown income to the Economic Distress Fund from appropriation, gifts, grants, bequests, or contributions. For fiscal note purposes, Oversight assumes services provided under this proposal will equal income and net to zero.

Officials from the **Office of Administration - Budget and Planning (B&P)** state this section establishes the Economic Distress Zone Fund. This provision will impact General Revenue (GR) expenditures to the extent the General Assembly appropriates existing GR dollars to the fund. Subsequently, this proposal may increase GR to the extent that any monies appropriated to the fund above \$3M are reverted to the credit of the GR fund. B&P defers to DPS-DO for an estimation of the impact.

Bill as a Whole

Officials from the **Joint Committee on Administrative Rules (JCAR)** state this legislation is not anticipated to cause a fiscal impact beyond its current appropriation.

Oversight assumes JCAR will be able to administer any rules resulting from this proposal with existing resources.

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 Secretary of State'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 \$5,000. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, they also recognize 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 their office can sustain with their core budget. Therefore, they reserve 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. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could require additional resources.

Officials from the **Department of Commerce and Insurance, the Department of Economic Development, the Department of Mental Health, the Department of Natural Resources, the Department of Public Safety – Capitol Police, the Department of Revenue, the Department of Social Services, the Missouri Department of Conservation, the City of Kansas City, the City of Springfield, the Kansas City Police Department, and the St. Louis County Police**

Department 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.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other police and sheriff's departments 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.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024	Fully Implemented (FY 2025)
GENERAL REVENUE FUND				
<u>Cost – DPS (\$650.550) Administer Economic Distress Zone Fund p. 5</u>	\$0 or...	\$0 or...	\$0 or...	\$0 or...
Personal Services	(\$38,476)	(\$46,633)	(\$47,099)	(\$7,928)
Fringe Benefits	(\$22,936)	(\$27,679)	(\$27,836)	(\$2,436)
Equipment and Expense	(\$3,348)	(\$871)	(\$893)	(\$153)
<u>Total Cost – DPS</u>	<u>(\$64,760)</u>	<u>(\$75,183)</u>	<u>(\$75,828)</u>	<u>(\$10,517)</u>
FTE Change – DPS	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE
<u>Transfer Out - To Economic Distress Zone Fund (\$650.550) p. 5</u>	\$0 or (Could exceed \$100,000)	\$0 or (Could exceed \$100,000)	\$0 or (Could exceed \$100,000)	\$0 or (Could exceed \$100,000)
<u>Transfer Out – to the 988 Public Safety Fund</u>	<u>(\$1,961,980)</u>	<u>(\$1,987,401)</u>	<u>(\$1,988,953)</u>	<u>(\$1,990,523)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$1,961,980 or could exceed \$2,126,740)</u>	<u>(\$1,987,401 or could exceed \$2,162,584)</u>	<u>(\$1,988,953 or could exceed \$2,164,781)</u>	<u>(\$1,990,523 or could exceed \$2,101,040)</u>
Net FTE Change to the General Revenue Fund	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE
<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024	Fully Implemented (FY 2025)
988 PUBLIC SAFETY FUND				
<u>Transfer In – from General Revenue</u>	\$1,961,980	\$1,987,401	\$1,988,953	\$1,990,523

<u>Costs – DPS</u> (§590.192) Administer 988 Public Safety Fund p. 4				
Personal services	(\$93,090)	(\$112,825)	(\$113,953)	(\$115,093)
Fringe benefits	(\$51,318)	(\$61,958)	(\$62,339)	(\$62,724)
Equipment and expense	(\$6,697)	(\$1,743)	(\$1,786)	(\$1,831)
Total Costs – DPS	(\$151,105)	(\$176,526)	(\$178,078)	(\$179,648)
FTE Change – DPS	2 FTE	2 FTE	2 FTE	2 FTE
<u>Costs – Officer evaluation/check-in</u> (§590.192) p. 4	(\$1,810,875)	(\$1,810,875)	(\$1,810,875)	(\$1,810,875)
ESTIMATED NET EFFECT ON THE 988 PUBLIC SAFETY FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Estimated Net FTE Change to the 988 Public Safety Fund	2 FTE	2 FTE	2 FTE	2 FTE
<u>FISCAL IMPACT – State Government</u> (continued)	FY 2022 (10 Mo.)	FY 2023	FY 2024	Fully Implemented (FY 2025)
ECONOMIC DISTRESS ZONE FUND				
<u>Revenue – Gifts, grants, contributions</u> (§650.550) p. 5	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown

<u>Transfer In - From General Revenue Fund</u> (§650.550) p. 5	\$0 or Could exceed \$100,000	\$0 or Could exceed \$100,000	\$0 or Could exceed \$100,000	\$0 or Could exceed \$100,000
<u>Costs - DPS - Funding to organizations</u> (§650.550) p. 5	<u>\$0 or (Could exceed \$100,000)</u>	<u>\$0 or (Could exceed \$100,000)</u>	<u>\$0 or (Could exceed \$100,000)</u>	<u>\$0 or (Could exceed \$100,000)</u>
ESTIMATED NET EFFECT ON THE ECONOMIC DISTRESS ZONE FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024	Fully Implemented (FY 2025)
	<u>\$0</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.

FISCAL DESCRIPTION

CRITICAL INCIDENT STRESS MANAGEMENT PROGRAM (Section 590.192)

This act establishes the "Critical Incident Stress Management Program" within the Department of Public Safety. The program shall provide services for peace officers to assist in coping with stress and potential psychological trauma resulting from a response to a critical incident or emotionally difficult event.

This act provides that all peace officers shall be required to meet with a program service provider once every three to five years for a mental health check-in. The program service provider shall send a notification to the peace officer's commanding officer that he or she completed such check-in. Any information disclosed by a peace officer shall be privileged and shall not be used as evidence in criminal, administrative, or civil proceedings against the peace officer, except as in certain instances as provided in the act.

This act creates the "988 Public Safety Fund" within the state treasury and shall be used by the Department of Public Safety for the purposes of providing services for peace officers to assist in coping with stress and potential psychological trauma resulting from a response to a critical

incident or emotionally difficult event. Such services may include consultation, risk assessment, education, intervention, and other crisis intervention services.

ECONOMIC DISTRESS ZONE FUND (Section 650.550)

This act establishes the "Economic Distress Zone Fund" which shall be a fund used solely by the Department of Public Safety to provide funding to organizations registered with the IRS as a 501(c)(3) corporation that provide services to residents of Missouri in areas of high incidents of crime and deteriorating infrastructure for the purpose of deterring criminal behavior in such areas. The Department shall promulgate rules determining what constitutes an area with high incidents of crime and deteriorating infrastructure.

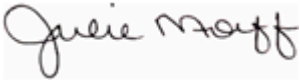
The provisions of this section terminate on August 28, 2024.

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

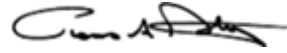
SOURCES OF INFORMATION

Attorney General's Office
Department of Commerce and Insurance
Department of Economic Development
Department of Mental Health
Department of Natural Resources
Department of Public Safety
Department of Revenue
Department of Social Services
Joint Committee on Administrative Rules
Missouri Department of Conservation
Office of Administration - Budget and Planning
Office of the Secretary of State
Office of the State Treasurer
Kansas City Police Department
St. Joseph Police Department
St. Louis County Police Department
City of Kansas City
City of Springfield

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