

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1211S.10A  
 Bill No.: SS for SCS for HCS for HB 417 with SA 1, SA 2, and SA 3  
 Subject: Employees - Employers; Economic Development; Department of Economic Development; Department of Social Services; Tax Credits; Department of Health and Senior Services; Department of Agriculture  
 Type: Original  
 Date: May 3, 2023

Bill Summary: This proposal modifies provisions relating to creating incentives for the purpose of encouraging certain individuals to obtain employment-related skills.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>				
FUND AFFECTED	FY 2024	FY 2025	FY 2026	Fully Implemented (FY 2027)
General Revenue**/**/****	Up to (\$7,745,840)	Up to (\$9,987,837)	Up to (\$10,969,103)	Up to (\$11,988,171)
<b>Total Estimated Net Effect on General Revenue</b>	Up to (\$7,745,840)	Up to (\$9,987,837)	Up to (\$10,969,103)	Up to (\$11,988,171)

\*Oversight notes the medical residency, Section 191.592 grant program is subject to appropriation and the fiscal impact reflects the cost to fund twenty (20) new residency slots each year. The actual number of residency slots and the related fiscal impact could be materially different.

\*\*SA 3 - Oversight notes a cost is associated with the possibility of an influx of litigation, under the Section 105.1600, and DOLIR's need for a range of 0 (no complaints arise due to the proposal) or up to 4 FTE (the DOLIR experience influx of complaints due the proposal), and OA's 0 (no complaints arise due to the proposal) or 1 FTE (the OA must litigate cases due the proposal - Legal Counsel at \$85,000 annually)

\*\*\*lastly, Oversight notes the fund reflects up to \$6 million dollar for Section 620.2500 Upskill Retention Fund and DED's estimated 2 FTE to support the program.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>				
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>Fully Implemented (FY 2027)</b>
Medical Residency Grant Program	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
Colleges	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
Nurse Loan Fund	(\$66,000)	(\$1,300,000)	(\$66,000)	(\$1,300,000)
Board of Nursing Fund	\$56,120	\$1,211,515	\$57,465	\$1,211,515
Lottery Proceeds Fund (0291)	Up to (\$240,000)	Up to (\$240,000)	Up to (\$240,000)	Up to (\$240,000)
Veterinary Student Loan Payment Fund (0803)*	\$0	\$0	\$0	\$0
<b>Total Estimated Net Effect on Other State Funds</b>	<b>Could exceed or less than (\$249,880)</b>	<b>Could exceed or less than (\$328,485)</b>	<b>Could exceed or less than (\$248,535)</b>	<b>Could exceed or less than (\$328,485)</b>

\*Transfer In (from Lottery Proceeds Fund) and additional expenditures net to zero under Section(s) 340.341 thru 340.384

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>				
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>Fully Implemented (FY 2027)</b>
Budget Stabilization Fund (0522)*	\$0	\$0	\$0	\$0
<b>Total Estimated Net Effect on All Federal Funds</b>	<b>\$0</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 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>Fully Implemented (FY 2027)</b>
General Revenue	Up to 7 FTE	Up to 8 FTE	Up to 8 FTE	Up to 8 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>Up to 7 FTE</b>	<b>Up to 8 FTE</b>	<b>Up to 8 FTE</b>	<b>Up to 8 FTE</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 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>Fully Implemented (FY 2027)</b>
<b>Local Government</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

**Oversight** was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

### *Section 135.457 "Intern and Apprentice Recruitment Act"*

In response to the similar proposal, HCS for HB 1038 – 2023, officials from the **Office of Administration – Budget & Planning (B&P)** assumed the proposed legislation would establish the "Intern and Apprentice Recruitment Act". Beginning on January 1, 2024, employers will be able to claim a tax credit of \$1,500 for each intern they hired at a pay rate equal or greater than minimum wage so long as the total number of interns employed for the tax year the credit is claimed exceeds the average number of interns employed by the taxpayer over the previous three years, the interns work a minimum of 60 hours per month for 2 consecutive months and a minimum of 140 hours of work per calendar year. The total amount of tax credits is limited to \$9,000 per employer per tax year, and the cumulative amount of the tax credit is limited to \$1,000,000 per tax year. Priority will be given to employers who have been in business less than 5 years, and tax credits will not be able to be carried forward to any subsequent tax year.

Applications for the tax credit will be created by the Department of Economic Development (DED). DED is also required to create an annual report containing statistical information regarding the tax credits issued the previous year. The program will sunset on December 31, 2030 unless reauthorized. If the program is reauthorized, the program will sunset on December 31, 2036 and will terminate on September 1 of the calendar year the program sunsets.

**Oversight** notes the officials from the B&P assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact for B&P in the fiscal note.

In response to the similar proposal, HCS for HB 1038 – 2023, officials from the **Department of Revenue (DOR)** noted:

Starting January 1, 2024, this would give a qualified taxpayer a \$1,500 tax credit for each qualified intern or apprentice employed by the taxpayer. The qualified intern or apprentice must be paid at least minimum wage. The qualified intern must work at least 60 hours a month for 2 consecutive months, and be a student at a Missouri college or university to be qualified. The

apprentice has to have completed at least one full year of a qualified apprenticeship program as approved by the Department of Higher Education and Workforce Development to qualify.

Taxpayers are limited to claiming no more than \$9,000 (6 interns or apprentices) a year. The credits are not refundable and cannot be carried forward or back. The total amount of credits that can be claimed in a year is \$1,000,000. Should the amount of credits claimed reach the cap then credits should be given to employers who have in been in business less than five years.

This proposal allows the tax credit against the individual income tax return, corporate tax return and property taxes. Property tax is not handled by the Department of Revenue, so for the simplicity of the fiscal note they will assume all of the tax credits will be applied to DOR's income tax returns.

According to information received from the Department of Higher Education and Workforce Development they have 471 active apprenticeship programs in place. Currently 16,983 active apprentices are in those programs. It is unclear how many of those people would meet each of the requirements necessary to be a qualified apprentice under this program. If all of them meet the requirements this would result in \$25,474,500 (16,983 apprentices\* \$1,500 credit) credits eligible to be claimed.

DOR is unable to estimate how many students are currently serving as interns that would qualify for this credit. It appears the full cap of \$1,000,000 may be reached annually. This proposal will result in a loss of \$1,000,000 in general revenue annually. This starts on January 1, 2024, but will not impact general revenue until FY 2025 when the first tax returns are filed claiming the credit.

This proposal requires that certain conditions are met in order for the taxpayer to qualify for the tax credit. This proposal establishes that DED would do the verification and certification process. DOR assumes they will create the form that DED will use for the certification, so that it can be processed by their scanners. Creation of the form is estimated at \$10,000.

This will be a new income tax credit and it would be added to the MO-TC and information about the credit would be added to DOR website and changes would be needed in Missouri's individual income tax computer system. DOR notes the costs to update these items is \$7,193.

DOR assumes it can absorb the cost of redeeming the credit with existing staff. Should the number of redemptions from this credit or a combination of other bills passing justify the addition of FTE DOR would seek that FTE through the appropriation process.

- 1 FTE Associate Customer Service Representative for every 6,000 credits redeemed
- 1 FTE Associate Customer Service Representative for every 7,600 errors/correspondence

**Oversight** assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb the 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** does not have any information to the contrary. Therefore, Oversight will reflect a zero administrative impact for DOR in the fiscal note.

In response to the similar proposal, HCS for HB 1038 – 2023, officials from the **Department of Economic Development (DED)** noted:

Section 135.457 creates the "Intern and Apprentice Recruitment Act".

For all tax years beginning on or after January 1, 2024, a taxpayer can claim a tax credit in an amount equal to \$1,500 for each intern or apprentice hired at a pay rate equal to or greater than minimum wage. Total amount claimed by a taxpayer cannot exceed \$9,000 in any given tax year.

Program cap: \$1M per tax year starting with the FY2025 year.

Credits are not refundable, sellable, transferable and do not carry forward.

DED must complete an annual report.

The program will automatically sunset six years after the effective date unless reauthorized by an act of the general assembly.

DED will need to hire 1 FTE to administer the program. Creating a new tax credit will likely reduce annual TSR by up to the annual cap on the program of \$1,000,000.

**Oversight** notes that per [U.S. DOL. GOV](https://www.dol.gov), Missouri had 13,944 active apprentices across 460 registered programs in 2021. Additionally, same period, Missouri has seen 8,104 new Apprenticeships and 3,235 completed Apprenticeships.

**Oversight** notes the proposal allows receipt of tax credit for two categories of claims as follow:

- Interns shall work a minimum of sixty hours per month for two consecutive months during the tax year for which the credit is claimed, and
- Apprentices shall complete a minimum of one hundred forty-four hours of work in a calendar year and a copy of the qualified apprenticeship program certification is submitted with the claim for such tax credit.

**Oversight** notes the tax credit would allow each taxpayer receive credit for up to \$9,000 (\$9,000/\$1,500), reflecting 6 interns or apprentices in any combination thereof.

**Oversight** notes the term “taxpayer” in this proposal represents any individual, firm, partner in a firm, corporation, partnership, shareholder in an S corporation, or member of a limited liability company subject to the state income tax.

**Oversight** notes, per section 135.457 5 the cumulative amount of tax credits allowed to all taxpayers under this section shall not exceed one million dollars per tax year.

**Oversight** notes that the proposal would allow maximum of 667 (\$1,000,000 / \$1,500) individual, or approximately 111 such an organizations (667/6) to receive this the credit.

**Oversight** notes that currently there are at least 460 such programs, as noted from the U.S. DOL statistics above. Therefore, **Oversight** will note a range from \$0 (no taxpayer claims the tax credit) to \$1,000,000 (the tax credit utilization is maximized) in general revenue annually beginning FY 2025 when the first tax returns will be filed to claim the credit.

**Oversight** assumes that the DED request for 1 FTE (Senior Economic Development Specialist at \$74,664 annually) is plausible and will note the cost in the fiscal note beginning in FY 2025 (the first income taxes will be filed in January 2025, 6 month of FY 2025 period) and annually thereafter.

**Oversight** notes that the proposal states that no tax credit claimed under this section shall be assigned, transferred, sold, carried forward, or otherwise conveyed.

**Oversight** notes that priority shall be given to taxpayers that have been in business for less than five years, with the remaining tax credits to be distributed based on the order in which they are claimed.

Officials from the **Department of Workforce Development & Higher Education** and **Department of Labor and Industrial Relations** both 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.

**Section(s) §160.2705; §160.2720 and §160.2725 – Changes provisions regarding adult high schools**

In response to a previous version, officials from the **Department of Social Services (DSS)** stated, as DSS currently provides funding to the adult high schools through the budget process, pays invoices, provides monitoring, technical assistance and oversight, this can be accomplished with existing staff.

Four adult high schools are already in existence and DSS would release a request for proposal for bid to establish the fifth adult high school, subject to appropriation.

Therefore, this fiscal note is no impact to DSS.

**Oversight** does not have any information to the contrary. Oversight notes the funding for the four adult high schools already in existence under the Missouri Work Program – Adult High School Expansion (Excel Centers) is \$2 million appropriated from the Budget Stabilization Fund

(0522). The State Treasurer’s Office describes the Budget Stabilization Fund (0522) as “a federal account for the purpose of tracking and distributing moneys related to increase Medicaid earnings received by the state as part of the COVID-19 public health emergency.” The current funding for the four Adult High School Expansion (Excel Centers) is entirely federal funds.

Oversight also notes that contract costs for a fifth Adult High School Expansion (Excel Center) could be up to \$500,000 higher than the currently appropriated \$2 million for four adult high schools and/or that appropriations from the Budget Stabilization Fund (0522) could be increased to accommodate the increased expenditures for an additional adult high school. Therefore, Oversight will reflect an annual fiscal impact of \$0 to (\$500,000) to the Budget Stabilization Fund (0522) in the fiscal note.

In response to similar proposal, SS for SB 199, officials from the **Department of Corrections**, the **Department of Higher Education and Workforce Development**, the **Missouri State University**, the **University of Central Missouri** and the **University of Missouri System** 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.

In response to similar proposal, SS for SB 199, officials from the **Department of Elementary and Secondary Education** and the **St. Charles Community College** 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.

**Section §191.592 – Graduate medical education grant program**

In response to the similar proposal, HCS for HB 1162 - 2023, officials from the **Department of Health and Senior Services (DHSS)** stated §191.592 of the proposed legislation adds the requirement that the DHSS establish a graduate medical education grant program to award grants to entities operating graduate medical education programs in Missouri. The amount awarded will need to be sufficient to fund twenty (20) residency slots each fiscal year beginning in FY 2024 through FY 2034. The individuals who have their residency funded, even partially, will be required to work in Missouri for three years after completing residency and if the individuals fail to do so, will be required to pay back the funds they received to the entity operating the graduate medical education program who shall return the funds for deposit into the Graduate Medical Education Grant Program fund.

Section 191.592 proposes the establishment of the “Graduate Medical Education Program Fund”; however, no specific revenue is cited and the amount required to fund the minimum of twenty residency slots is unknown. The average cost per student for the University of Missouri system is \$50,000 per year, however, the university system has three campuses and each have differing costs and those costs are not for medical residents. The fiscal impact analysis includes a minimum of \$1,000,000 to \$5,000,000 (\$250,000 per student is the cost calculated from another



private program) per resident to cover the residency slots and the applicable expenses associated with the graduate medical education entity operating the graduate medical program. Actual cost will be dependent upon the number of residencies funded and the costs of the residency at the specific institution.

DHSS would be responsible for promulgating all rules and regulations relating to the program and administering the program, which would require creating and reviewing applications, contracts, residency and employment verification forms, making awardee selections, monitoring of entities awarded and monitoring those who receive funding for their residency to ensure all requirements are being met.

To implement this program, the Office of Rural Health and Primary Care would need a minimum of two (2) additional FTE: one (1) Senior Public Health Program Specialist and one (1) Public Health Program Specialist with an average salary within the Division of Community and Public Health (DCPH) of \$63,999 and \$52,016 (respectively) as of March 2023.

It is assumed that the Division of Administration can absorb the costs of this bill with current resources. However, if the workload significantly increased or other legislation was enacted, additional resources would be requested through the appropriation process.

**Oversight** notes provisions of this proposal (§191.592.2) provide that DHSS shall establish a medical residency grant program to award grants to eligible entities for the purpose of establishing and funding new general primary care and psychiatry medical residency positions and continuing the funding of the new positions for the duration of the funded residency.

**Oversight** notes that the DHSS may promulgate all necessary rules and regulations to create and operate the Medical Residency Grant Program. The perfected version of this proposal no longer contains specific provisions relating to grant recipients who fail to work in Missouri a required period of time after they complete their residency or whether the entity operating the grant program is required to pay back the funds relating to those individuals. However, the current provisions do provide that if a grant-funded position is not filled, the Medical Residency Grant Program Fund is to receive reimbursements from awarded eligible entities who were not able to fill the residency position(s). Oversight assumes a \$0 to unknown amount of funds may be returned to the Medical Residency Grant Program Fund beginning in FY2025 for unfilled grant-funded positions. It is assumed the amounts returned would be less than \$250,000 annually (5 unfilled positions based on DHSS assumptions of a cost of approximately \$50,000 per position per year).

This program is subject to appropriations plus reimbursements from awarded eligible entities who were not able to fill the residency positions and any gifts, contributions, grants or bequests received. Funding for grant-funded residency positions is to be available for three years (3) for residency positions in family medicine, general internal medicine and general pediatrics and for four (4) years for residency positions in general obstetrics and gynecology, internal medicine-pediatrics and general psychiatry is to be available.

This proposal does not contain provisions indicating the number of grant-funded residency positions the DHSS shall award or the amount of those grants. However, DHSS shall expend moneys in the fund (Medical Residency Grant Program Fund) to pay for necessary costs to implement the provisions of the proposal and then to fund grant positions in the following order: 1) for residency positions of individuals in their fourth (4<sup>th</sup>) year of residency, 2) for residency positions for individuals in their third (3<sup>rd</sup>) year of their residency, 3) for residency positions for individuals in their second (2<sup>nd</sup>) year of residency and then 4) for residency positions for individuals in their first (1<sup>st</sup>) year of residency. Finally, DHSS shall expend funds to establish new grant-funded residency positions at awarded eligible institutions. Therefore, Oversight assumes the DHSS continues to plan to fund 20 grant-funded residency positions as provided for in their response.

**Oversight** notes the provisions of this proposal provide that no new grant-funded residency positions are to be established after the tenth (10<sup>th</sup>) fiscal year in which the grants are awarded. Any residency position funded before the 10<sup>th</sup> fiscal year will continue to be funded until completion of the resident's medical residency. The provisions of this proposal expire on January 1, 2038.

For fiscal note purposes, Oversight assumes a residency program is 3 years and that costs for each new cohort of grants could exceed \$1,000,000 annually (\$50,000 estimate provided by DHSS \* 20 residencies = **\$1,000,000** annually). Therefore, grants for FY 2024 could exceed \$1,000,000; grants for FY2025 could exceed **\$2,000,000** (20 grants for 2<sup>nd</sup> year of FY2024 awards + 20 grants for FY2025 new awards) and so on. Oversight assumes FY2027 is the first year the grant-funded program is fully implemented as some residency positions will be for four (4) years.

Since entities (colleges and universities) operating graduate medical education programs and receiving the medical residency grants are responsible for paying back grants for unfilled residency positions, **Oversight** will present \$0 to Unknown income transferred from colleges and universities to the Medical Residency Grant Program Fund beginning in FY2025.

**Oversight** also assumes the DHSS would not need 2 FTE in the first year or two of the program, but as the program continues could require additional FTE as the number of grant recipients increases. Therefore, for fiscal note purposes, Oversight assumes FTE and related costs could exceed the amounts provided by DHSS for the one (1) FTE Senior Public Health Program Specialist. Oversight, however, assumes DHSS would not need additional rental space for 1 new FTE for this single proposal. Oversight notes, depending on the number of proposals passed during the legislative session that, cumulatively, DHSS may need additional rental space or capital improvements as determined by the Office of Administration, Facilities Management, Design and Construction.

In response to the previous version of this proposal, officials from the **University of Missouri System (University)** stated the proposed legislation could have a positive impact for the University of Missouri. The impact amount cannot be determined.

Officials from the **University of Central Missouri (UCM)** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for UCM.

In response to the previous version of this proposal, officials from **Missouri State University** and **Missouri Western State University** assumed the proposal would have no fiscal impact on their respective organizations.

**Oversight** does not have any information to the contrary. However, Oversight will reflect an unknown positive fiscal impact for colleges and universities as this proposal may encourage students to enroll in graduate medical education programs.

### **§§ 335.200, 335.203 & 335.205 – Nursing Education**

#### **§335.200**

**Oversight** notes the above section allows an eligible institution of higher education of nursing to include an approved virtual institution as one of the approved schools to receive such a grant under the proposal.

#### **§335.203.2**

In response to the similar proposal, HB 775 -2023, officials from the **Department of Health and Senior Services (DHSS)** assumed §335.203.2, of the proposed legislation, proposes the removal of the \$150,000 grant limit for those awarded under the Nursing Education Incentive Program.

**Oversight** assumes removal of the \$150,000 grant limit for those awarded the Nursing Education Incentive Program in this subsection will have no fiscal impact on state or local government.

**Oversight** notes the Department of Commerce and Insurance (DCI) budget request included the following information: *The Nursing Education Incentive Program (NEIP) was established in 2011 through legislative action and appropriation of State Board of Nursing (Board) funds to increase the number of nursing graduates by expanding the physical and educational capacity of professional nursing programs in Missouri. This grant program is supported by nurse licensure fees and represents continued action by the Board to support nursing education. The board currently has the authority to award up to \$2,000,000 each fiscal year for the NEIP Program. This new decision item would allow the Board to award up to \$3,000,000 each fiscal year in NEIP funding.* Oversight notes the DCI asked for a \$1,000,000 new decision item from the State Board of Nursing Fund (0635).

§335.205

**DHSS** also noted §335.205, of proposed legislation, proposes the collection of a nursing education incentive program surcharge in addition to the nurse licensure fees for any initial nurse license and license renewal application to be deposited into the state board of nursing fund.

In response to the similar proposal, HB 775 -2023, officials from the **Department of Commerce and Insurance (DCI)** stated that the board projects a 2% increase in licensees each year.

DCI assumes the surcharge only applies to applicants for a license by endorsement. (Those numbers could decrease as more states join the nursing compact. Nurses will not need a Missouri license because they are able to practice in Missouri on the license from the other state.)

DCI assumes the following:

FY 2024

LPN – Renewal Surcharge - \$45,668  
LPN – Initial License Surcharge \$252  
RN – Renewal Surcharge - \$0  
RN – Initial Licensure Surcharge - \$10,200  
**Total - \$56,120**

FY 2025

LPN – Renewal Surcharge - \$0  
LPN – Initial License Surcharge \$260  
RN – Renewal Surcharge - \$1,200,850  
RN – Initial Licensure Surcharge - \$10,405  
**Total - \$1,211,515**

FY 2026

LPN – Renewal Surcharge - \$46,582  
LPN – Initial License Surcharge \$268  
RN – Renewal Surcharge - \$0  
RN – Initial Licensure Surcharge - \$10,615  
**Total - \$57,465**

DCI Notes:

RNs are currently in renewal so the 120,085 number could decrease for multiple reasons:

- Licensees that retire and do not renew their license.
- Not having to renew due to the added nurse licensure compact states.
- This is the first renewal period since Kansas joined the nursing compact. The board does not know how many RNs that are Kansas residents that will not renew their Missouri license because they do not have to.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect the revenues as estimated by the DCI to the Board of Nursing Fund (0635).

§335.212 - 353.242 (Removal)

In response to the similar proposal, HB 775 -2023, officials **from DHSS** also assumes HB 775 proposes the removal of Sections 335.212 through 335.242 which would eliminate the Nursing Student Loan Program and Sections 335.245 through 335.257, which would eliminate the Nursing Student Loan Repayment Program.

Additionally, eliminating Section 335.212 through 335.257 would eliminate the established Professional and Practical Nursing Student Loan and Nurse Loan Repayment Fund which is also used to collect repayment and fees on any defaulted contracts. This section also gives the authority to the Department of Health and Senior Services (DHSS) to institute any action to recover any amount due. Therefore, the Department may lose the authority to collect on bad debt from nurses who defaulted on their loans.

Currently, the educational surcharge collected on nurse licensure and licensure renewal applications is expended on administering the Nurse Student Loan (NSL) program and Nurse Loan Repayment Program (NLRP). This fee is based on either the Registered Nurse (RN) or Licensed Practical Nurse (LPN) and the year; the program receives \$5 for each RN license during odd numbered years and then \$1 from each LPN license during even numbered years. The removal of these sections results in a loss of revenue that is utilized for the NSL program and NLRP. If these funds are not received by DHSS, this would result in a loss of approximately \$1,300,000 on odd numbered years and \$66,000 on even numbered years.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect the estimated loss provided by DHSS to the Nurse Loan Fund.

In response to the similar proposal, HB 775 -2023, officials from the **Department of Higher Education and Workforce Development** assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for DHEWD.

**Section(s) §340.341, 340.345, 340.381, 340.384, 340.387 - Veterinary Medical student loan repayment program grant**

In response to the similar proposal, SB 529 – 2023, officials from the **Missouri Department of Agriculture (MDA)** assumed the proposal will have no fiscal impact on their organization. MDA notes six students have been awarded \$20,000 each (per academic year) for the past three years.

**Oversight** notes this proposal increases the number of students awarded from six to 12 per academic year. In addition, the proposal increases the amount of award from \$20,000 per

academic year to \$30,000 per academic year, not to exceed \$120,000 total (per student). Oversight assumes MDA may award the maximum number of students allowed; therefore, Oversight will reflect an increased cost to MDA of \$240,000 ((6 new x \$30,000) + (6 existing x (\$30,000 - \$20,000)) per year.

Oversight notes this proposal allows MDA to award more than 12 applicants if additional moneys from private grants, gifts, donations, devises, or bequests of moneys, funds, real or personal property, or other assets are deposited in the Veterinary Student Loan Payment Fund; therefore, Oversight will reflect the increase as “Could exceed \$240,000”.

Oversight notes there was a \$14 balance in the Veterinary Student Loan Payment Fund (0803) as of February 28, 2023.

Oversight notes actual expenditures for this program over the past three years have been:

	Expenditures	Applicants	Recipients
FY 2021	\$116,400	13	6
FY 2020	\$116,348	11	6
FY 2019	\$116,318	12	6

Oversight notes this program has a transfer from the Lottery Proceeds Fund to fund the program. With the small balance of the Veterinary Student Loan Payment Fund, Oversight will assume the additional proceeds needed for a program expansion will be transferred in from the Lottery Proceeds Fund (0291).

### **Section 620.2500 Upskill Training Tax Credits**

In response to the previous version of the bill, officials from the **Department of Economic Development (DED)** assumed section 620.2500 creates a new provision that provides grants to employers to encourage employees to obtain upskill credentials. DED may distribute reimbursement to any qualifying employer not to exceed two thousand dollars for each employee who obtains upskill credentials, provided that no qualifying employer shall receive more than thirty thousand dollars under this section in any calendar year. The department shall evaluate employers on a competitive basis and distribute an equal number of awards within 3 groups based on the number of employees of qualifying employers (Groups: 1-50 employees; 51-200 employees; 201 or more employees).

DED has determined that costs and the impact on TSR could be significant as a result of this program, and that more information is needed in regards to the parameters of the program before an estimated cost can be derived.

DED will need to hire 2.0-3.0 FTE to administer the program. DED does not have existing budget authority that can absorb the cost.

**Oversight** notes that according to the article posted in [Missouri One Star Program 2020](#), there were 47,000 employees across 234 companies trained throughout this program in 2020.

**Oversight** notes that [The American Upskilling Study](#) states: "...most workers (57%) are very or extremely interested in participating in training to upgrade their skills or to learn new skills that could help them advance their career. When that training is free and workers are paid while doing it (as they would be during work), interest goes up to 71%. By contrast, 47% of workers are interested in training at a college or university." In summary employer's interest for upskilling their workforce is only growing.

**Oversight** assumes that the DED's request for additional FTE is plausible. Therefore, Oversight will reflect the lower estimated projection of 2 FTE (Economic Development Specialists at \$63,192 with fringe benefits and equipment and expense annually) in the fiscal note.

**Oversight** notes the Colorado Workforce Development Council announced a similar program – \$2.25 million in funding to support up to 1,200 individuals to earn an industry-recognized credential during the grant period. However, Ohio also has a similar program through their Department of Development called TechCred. According to an article from [Ohiohighered.org](#), "TechCred is one of Ohio's most successful business-education partnerships. This innovative program is designed to qualify workers for new jobs in the technology-infused economy. The program has already supported more than 23,723 new credentials and certificates to date." It appears that Ohio has a \$30 million appropriation over the next two year period (\$15 million per year). Since Ohio's program and the program described in the bill appear to be very similar, Oversight will utilize \$15 million per year as an estimate, reduced to Missouri population - \$8,000,000. The actual appropriation amount may not exceed \$6,000,000 in any fiscal year (subsection 620.2500.7).

Officials from the **Office of Administration – Budget & Planning (B&P)** assume the proposed legislation creates the "Upskill Training Fund" in the state treasury for training reimbursement to employers who meet upskill credentials. Moneys for the fund shall be appropriated by the general assembly, which shall not exceed \$6M per fiscal year. The Department of Economic Development (DED) may distribute the funds to qualified employers not to exceed two-thousand dollars for each employee, and thirty-thousand dollars for each employer per fiscal year. DED shall also design the application form for qualifying employers to apply for training reimbursement. DED shall reserve 33 1/3% of funds to be awarded to qualifying employers with at least one, but not more than fifty employees, and 33 1/3% for qualifying employers with at least fifty-one, but not more than two hundred employees. All reserved amounts under this subdivision that are not issued or awarded by March first of the fiscal year shall no longer be reserved and may be issued to any employer otherwise eligible in this section. To the extent appropriations are made for this program, resources may be reduced for other budget priorities.

**Oversight** assumes B&P is provided with core funding to handle a certain amount of activity each year. Oversight notes pointing out that grant appropriations would compete with other programs for state monies available and assumes B&P would still be funded at sufficient levels to accomplish current duties.

In response to the previous version of the bill, officials from the **University of Central Missouri** assumed this proposal would have an indeterminate fiscal impact depending on if UCM's programs constitute the requisite "credentials" and if so, if there is an increase of students in those programs.

**Oversight** notes that officials from above organization assume the proposal will have a positive fiscal impact on their organization.

**Oversight** notes the proposal's Sections 620.2500.1(3) and 620.2500.1(4) exclude public bodies from participating in this program. These would include public elementary and secondary school and community colleges, colleges and universities which receive public funds. Therefore, **Oversight** will note zero impact for above organizations in the fiscal note.

**Oversight** notes that Section 620.2500 7 creates an Upskill Credential Fund, which shall consist of money appropriated to the fund by the general assembly, not to exceed six million dollars in any fiscal year, and any funds accepted from other sources, which shall not be limited in any fiscal year. Therefore, **Oversight** will note the fiscal impact up to \$6M to the general revenue fund in the fiscal note.

Lastly, **Oversight**, for purposes of this fiscal note, will note the Upskill Credential Fund will net to zero with the money being disbursed to various qualifying companies and using the fund for designated purpose of Upskilling employees throughout Missouri.

**Oversight** notes the proposal adds clarification language in regards to certain industry exclusions and qualifications for the upskill tax credit under the proposal.

Officials from the **Department of Revenue**, the **Missouri Department of Health and Senior Services**, the **Office of Administration**, the **Missouri Department of Agriculture**, the **City of Jefferson City**, the **City of Saint Louis – Budget Division**, the **Missouri University System**, the **City of Kansas City**, the **Jackson County Commissioner**, and the **City of Springfield** each assume the proposal would not have a direct fiscal impact on their respective organizations.

**Oversight** notes that officials from above organizations assume the proposal will have no fiscal impact on their respective organizations. Therefore, **Oversight** will note zero impact for above organizations in the fiscal note.

### **SA 1 – Section 173.280 Compensation of Student Athletes**

In response to the similar proposal, HCS for HB 1346 -2023, officials from the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, **Missouri State University** and the **University of Central Missouri** 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 received from state agencies and political subdivisions; however, school and colleges and universities were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

**SA 2 – Removes section(s) 191.500, 191.505, 191.510, 191.515, 191.520, 191.525, 191.530, 191.535, 191.540, 191.545, 191.550, 191.435, 191.440, 191.445, 191.450 191.600, 191.828, 191.831**

**Oversight** notes by removing various above section each loan repayment program is limited to the tax credit award up to 3 to 4 years of the average salary the potential candidate receives in same time.

**SA 3 – Section 105.1600 - Minimum Skills Hiring Requirements**

In response to the similar proposal, SB 476 -2023, officials from the **Office of Administration (OA)** noted:

Subsection 5 of this bill allows applicants who are denied a position “solely” because of the lack of a postsecondary degree to appeal the hiring decision to the Labor and Industrial Relations Commission (LIRC). OA assumes a hearing process will be necessary for the LIRC to make a determination about whether lack of a degree was the sole factor, and that OA, as an employer, will be represented by legal counsel for such hearings. It is unknown how many appeals/hearings might result from this bill; however, OA assumes the amount could be significant. OA also assumes that legal counsel may be involved in reviewing job posting to ensure compliance with the requirements of this bill, at least initially. Therefore, OA believes it will need 1 additional FTE legal counsel as a result of this bill. The estimated fiscal impact of this bill is \$65,000 to \$85,000 (not including fringe benefits).

**Oversight** notes that OA assumes the proposal will have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will range the impact from 0 (few additional complaints arise due to the proposal) or up to 1 FTE (Legal Counsel at \$85,000 annually) in the fiscal note.

In response to the similar proposal, SB 476 -2023, officials from the **Missouri Department of Agriculture (MDA)** defer to the OA for the potential fiscal impact of this proposal.

In response to the similar proposal, SB 476 -2023, officials from the **Department of Labor and Industrial Relations (DOLIR)** assume the proposed legislation creates a new category of appeals to the Labor and Industrial Relations Commission (Commission). It also creates new enforcement responsibilities for the Commission. Depending on the increased volume of appeals,

additional clerical and/or legal staffing may be required. A larger caseload would require additional FTEs and result in additional costs.

Assuming appeals or reports will be filed from 2% of the announced 7,000 state job openings (140) and from at least one job opening from 183 political subdivisions, which represents 5% of Missouri's approximately 3,650 political subdivisions.

The Office of General Counsel (OGC) estimates that 1 additional General Counsel may be needed to address appeals.

The positions to appropriately comply with the proposal includes 4 FTE. A Clerk, an Investigator, an Attorney, & a General Counsel. The General Counsel would be for the Director's Office and the other 3 as part of LIRC. The 4 FTE would be due to the proposal creating a new category of appeals to the Commission. Increased duties from the proposed legislation is unknown and cannot be estimated, DOLIR assumes 0 up to 1 per each possible position necessary to handle an increased workload.

**Oversight** notes the officials from the DOLIR assume the proposal will have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a range from the DOLIR's estimated need for additional FTE from \$0 (the proposal would not create substantial amount of new appeals) to 4 additional FTE (the proposal creates substantial amount of new appeals) impact in the fiscal note.

In response to the similar proposal, SB 476 -2023, officials from the **Department of Public Safety – Director's Office** defer to the DOLIR for the potential fiscal impact of this proposal.

In response to the similar proposal, SB 476 -2023, officials from the **Department of Commerce and Insurance, the Department of Economic Development, the Department of Elementary and Secondary Education, the Department of Higher Education and Workforce Development, the Department of Health and Senior Services, the Department of Mental Health, the Department of Natural Resources, the Department of Corrections, the Department of Labor and Industrial Relations, the Department of Revenue, 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 Department of Social Services, 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 Public Defender, the Office of the State Treasurer, the University of Missouri System, and the State Tax Commission** each assume the proposal will have no fiscal impact on their respective organizations.

**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.

In response to the similar proposal, SB 476 -2023, officials from the **University of Central Missouri** assume the proposal will have an indeterminate impact on their respective organization but did not provide any additional information regarding the impact.

In response to the similar proposal, SB 476 -2023, officials from the **City of Kansas City** assume the legislation could have a negative fiscal impact on Kansas City in an indeterminate amount if it exposes the City to a potential liability.

In response to the similar proposal, SB 476 -2023, officials from the **City of Springfield** note:

The City of Springfield anticipates a negative fiscal impact from this bill of approximately \$14,000. If approved, the bill would result in the City having to do a full review of all job descriptions to determine compliance with the new parameters and raise the possibility of dealing with the cost of an appeals process, should one be filed.

Officials from the **City of O'Fallon** assume the proposal will have no fiscal impact on their organization.

**Oversight** notes City of Kansas City and the City of Springfield both assume the proposal will have a potential direct impact on their organizations.

**Oversight** notes Section 105.1600 1 (6) defines “public employer” as political subdivision, in addition to any State of Missouri entity.

Oversight notes the proposal define state agency as shown in RSMo 36.020 and states it is define as each department, board, commission or office of the state except for offices of the elected officials, the general assembly, the judiciary and academic institutions.

#### 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.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026	Fully Implemented (FY 2027)
<b>GENERAL REVENUE</b>				
<u>Revenue Reduction – Section 135.457 "Intern and Apprentice Recruitment Tax Credit maximum cap. (p.5)</u>	\$0	Up to (\$1,000,000)	Up to (\$1,000,000)	Up to (\$1,000,000)
<u>Costs – DED FTE – Section 135.457 8.</u>				
Personnel Service	\$0	(\$38,079)	(\$77,680)	(\$79,233)
Fringe Benefits	\$0	(\$22,038)	(\$44,646)	(\$45,539)
Expense & Equipment	\$0	(\$12,887)	(\$4,543)	(\$4,634)
<u>Total Costs – DED (p.5,6)</u>	<u>\$0</u>	<u>(\$73,004)</u>	<u>(\$126,869)</u>	<u>(\$129,406)</u>
FTE Change	\$0	1 FTE	1 FTE	1 FTE
<u>Transfer-out – to Medical Residency Grant Program Fund (\$191.592)</u>	(Could exceed \$1,114,627)	(Could exceed \$2,110,572)	(Could exceed \$3,113,372)	(Could exceed \$4,115,326)
<u>Costs – OA- Section 105.1600 5. P. 17 SA 3</u>	\$0 or ....	\$0 or ....	\$0 or ....	\$0 or...
Personnel Service	Up to (\$70,833)	Up to (\$70,833)	Up to (\$70,833)	Up to (\$72,250)
Fringe Benefits	Up to (\$39,488)	Up to (\$133,554)	Up to (\$48,026)	Up to (\$48,987)
Expense & Equipment	(Unknown)	(Unknown)	(Unknown)	(Unknown)
<u>Total Costs – OA (p.15)</u>	Could Exceed (\$110,321)	Could Exceed (\$204,387)	Could Exceed (\$118,859)	Could Exceed (\$121,237)
FTE Change	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE
<u>Costs – DOLIR - Section 105.1600 5 p. 17 SA 3</u>	\$0 or ....	\$0 or ....	\$0 or ....	\$0 or ....
Personnel Service	(\$192,530)	(\$235,657)	(\$240,370)	(\$245,177)

Fringe Benefits	(\$123,979)	(\$150,530)	(\$152,266)	(\$155,311)
Expense & Equipment	(\$8,000)	(\$0)	(\$0)	(\$0)
<u>Total Costs –DOLIR</u>	<u>(\$324,509)</u>	<u>(\$386,187)</u>	<u>(\$392,636)</u>	<u>(\$400,488)</u>
FTE Change	0 or up to 4 FTE	0 or up to 4 FTE	0 or up to 4 FTE	0 or up to 4 FTE
<u>Revenue Transfer Out– Section 620.2500 – into Upskill Credential Fund (p.15)</u>	\$0 or Up to (\$6,000,000)	\$0 or Up to (\$6,000,000)	\$0 or Up to (\$6,000,000)	\$0 or Up to (\$6,000,000)
<u>Cost – DED – 2 FTE - Section 620.2500 – Administration Of Tax Credit Program</u>	\$0 or....	\$0 or....	\$0 or....	\$0 or....
Personnel Services	(\$105,320)	(\$128,912)	(\$131,490)	(\$134,120)
Fringe Benefits	(\$59,965)	(\$72,805)	(\$73,669)	(\$75,142)
Equipment & Expense	(\$31,098)	(\$11,969)	(\$12,208)	(\$12,452)
<u>Total Cost - DED</u>	<u>(\$196,383)</u>	<u>(\$213,686)</u>	<u>(\$217,367)</u>	<u>(\$221,714)</u>
<u>Total FTE – DED (p.14)</u>	<u>2 FTE</u>	<u>2 FTE</u>	<u>2 FTE</u>	<u>2 FTE</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b>Up to <u>(\$7,745,840)</u></b>	<b>Up to <u>(\$9,987,837)</u></b>	<b>Up to <u>(\$10,969,103)</u></b>	<b>Up to <u>(\$11,988,171)</u></b>
<b>MEDICAL RESIDENCY GRANT PROGRAM FUND</b>				
<u>Transfer-in – from General Revenue (§191.592) (p.10-11)</u>	Could exceed \$1,114,627	Could exceed \$2,110,572	Could exceed \$3,113,372	Could exceed \$4,115,326
<u>Income – gifts, contributions, grants or bequests (p.10)</u>	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Transfer-in – from Colleges and Universities – grant repayments (p.10)</u>	\$0	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Costs – DHSS (§191.592)</u>	Could exceed...	Could exceed...	Could exceed...	Could exceed...
Personal service	(\$63,999)	(\$64,639)	(\$66,585)	(\$67,916)
Fringe benefits	(\$39,529)	(\$39,769)	(\$40,497)	(\$40,995)
Equipment and expense	(\$11,099)	(\$6,164)	(\$6,290)	(\$6,415)
Medical education grants	<u>(\$1,000,000)</u>	<u>(\$2,000,000)</u>	<u>(\$3,000,000)</u>	<u>(\$4,000,000)</u>

Total Costs – DHSS (p.10)	<u>(\$1,114,627)</u>	<u>(\$2,110,572)</u>	<u>(\$3,113,372)</u>	<u>(\$4,115,326)</u>
FTE Change – DHSS	Could exceed 1 FTE	Could exceed 1 FTE	Could exceed 1 FTE	Could exceed 1 FTE
<b>ESTIMATED NET EFFECT ON THE MEDICAL RESIDENCY GRANT PROGRAM FUND</b>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
<b>COLLEGES AND UNIVERSITIES</b>				
<u>Income</u> – Colleges and Universities – increase in tuition and fees (§191.592) (p.10-11)	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Transfer-out</u> – to Medical Residency Grant Program Fund from Colleges and Universities – grant repayments (§191.592) (p.10-11)	\$0	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
<u>Income</u> – Colleges & Universities – increase in tuition and fees (§§191.430 - 191.831) p.4-5	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
<b>ESTIMATED NET EFFECT ON COLLEGES AND UNIVERSITIES</b>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
<b>NURSE LOAN FUND</b>				
<u>Loss</u> – DHSS (§335.212 - 353.242) Loss of educational surcharge collection (p.11)	<u>(\$66,000)</u>	<u>(\$1,300,000)</u>	<u>(\$66,000)</u>	<u>(\$1,300,000)</u>

<b>ESIMATED NET EFFECT ON THE NURSE LOAN FUND</b>	<b><u>(\$66,000)</u></b>	<b><u>(\$1,300,000)</u></b>	<b><u>(\$66,000)</u></b>	<b><u>(\$1,300,000)</u></b>
<b>BOARD OF NURSING FUND (0635)</b>				
<u>Revenue</u> – DCI (§335.205) Nursing Education Incentive Program Surcharge (p.11)	<u>\$56,120</u>	<u>\$1,211,515</u>	<u>\$57,465</u>	<u>\$1,211,515</u>
<b>ESTIMATED NET EFFECT TO THE BOARD OF NURSING FUND</b>	<b><u>\$56,120</u></b>	<b><u>\$1,211,515</u></b>	<b><u>\$57,465</u></b>	<b><u>\$1,211,515</u></b>
<b>LOTTERY PROCEEDS FUND (0291)</b>				
<u>Transfer Out</u> – to the Veterinary Student Loan Payment Fund for expansion of the program 340.341 – 340.345	Up to <u>(\$240,000)</u>	Up to <u>(\$240,000)</u>	Up to <u>(\$240,000)</u>	Up to <u>(\$240,000)</u>
<b>ESTIMATED NET EFFECT TO THE LOTTERY PROCEEDS FUND</b>	<b>Up to <u>(\$240,000)</u></b>	<b>Up to <u>(\$240,000)</u></b>	<b>Up to <u>(\$240,000)</u></b>	<b>Up to <u>(\$240,000)</u></b>
<b>VETERINARY STUDENT LOAN PAYMENT FUND (0803)</b>				
<u>Transfer In</u> – from the Lottery Proceeds fund	Up to \$240,000	Up to \$240,000	Up to \$240,000	Up to \$240,000
<u>Income</u> – MDA – private grants, gifts, donations, devises or bequests	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost</u> – MDA – increase in number and amount of awards for veterinary students	Could exceed <u>(\$240,000)</u>	Could exceed <u>(\$240,000)</u>	Could exceed <u>(\$240,000)</u>	Could exceed <u>(\$240,000)</u>

<b>ESTIMATED NET EFFECT ON THE VETERINARY STUDENT LOAN PAYMENT FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>UPSKILL CREDENTIAL FUND</b>				
<u>Revenue Gain</u> – Transfer In from GR – Section 620.2500 7.(1) (p.5)	\$0 or Up to \$6,000,000	\$0 or Up to \$6,000,000	\$0 or Up to \$6,000,000	\$0 or Up to \$6,000,000
<u>Cost</u> – Section 620.2500 5. (1) – (4) – Disbursement of award to qualified companies (p.5)	\$0 or Up to (\$6,000,000)	\$0 or Up to (\$6,000,000)	\$0 or Up to (\$6,000,000)	\$0 or Up to (\$6,000,000)
<b>ESTIMATED NET EFFECT ON UPSKILL CREDENTIAL FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>FEDERAL FUNDS</b>				
<u>Income</u> - Budget Stabilization Fund (0522) reimbursement for Excel Centers 160.2705	\$0 to \$416,667	\$0 to \$500,000	\$0 to \$500,000	\$0 to \$500,000
<u>Cost</u> - Budget Stabilization Fund (0522) expenditures for Excel Centers 160.2705	\$0 to (\$416,667)	\$0 to (\$500,000)	\$0 to (\$500,000)	\$0 to (\$500,000)
<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS*</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
*Range represents potential increase in program costs due to expanding number of Excel Centers.				



<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026	Fully Implemented (FY 2027)
<b>LOCAL POLITICAL SUBDIVISIONS</b>				
Cost – Section 105.1600 1 (6) & 2 (1) to (3) (p.16) SA 3	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISION</b>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

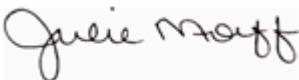
This proposal authorizes grants to employers to encourage employees to gain and improve their skills.

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

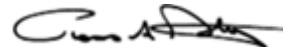
SOURCES OF INFORMATION

- 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 Public Employee Retirement  
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  
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  
City of Kansas City  
City of Springfield  
City of O'Fallon  
University of Central Missouri  
Department of Health and Senior Services  
Office of the Secretary of State  
University of Missouri System  
Missouri State University  
Missouri Western State University  
University of Central Missouri  
Joint Committee on Administrative Rules



Julie Morff  
Director  
May 3, 2023



Ross Strobe  
Assistant Director  
May 3, 2023