

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2844H.09C  
 Bill No.: HCS for SS No. 2 for SB 862  
 Subject: Children and Minors; Professional Registration and Licensing; Sexual Offenses;  
 Health Care Professionals; Crimes and Punishment; Courts; Victims of Crime;  
 Licenses - Driver's; Domestic Relations  
 Type: Original  
 Date: May 8, 2024

Bill Summary: This proposal modifies provisions relating to the protection of vulnerable persons.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2031)
General Revenue*	Up to and could exceed (\$6,698,313 to \$6,728,313)	Up to and could exceed (\$6,013,635)	Up to and could exceed (\$7,527,246)	Up to and could exceed (\$7,553,224)
<b>Total Estimated Net Effect on General Revenue</b>	<b>Up to and could exceed (\$6,698,313 to \$6,728,313)</b>	<b>Up to and could exceed (\$6,013,635)</b>	<b>Up to and could exceed (\$7,527,246)</b>	<b>Up to and could exceed (\$7,553,224)</b>

\* Oversight reflects increase in the cap for the Champion for Children Tax Credit in FY 2025 and FY 2026 from \$1.5 million to \$2.5 million. Additionally, Oversight reflects the full cap of \$2.5 million in FY 2027 based on the extension of the sunset date from December 31, 2025 (FY 2026) to December 31, 2030.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>				
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>Fully Implemented (FY 2031)</b>
Anti-Trafficking Fund*	\$0	\$0	\$0	\$0
Highway Fund	\$1,926,137	\$2,311,364	\$5,296,575	\$5,296,575
License Office Distribution Fund**	\$0	\$0	\$0	\$0
Pretrial Witness Protection***	(Unknown)	(Unknown)	(Unknown)	(Unknown)
Human Trafficking and Sexual Exploitation Fund*	\$0	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(Unknown) to \$1,926,137</b>	<b>(Unknown) to \$2,311,364</b>	<b>(Unknown) to \$5,296,575</b>	<b>(Unknown) to \$5,296,575</b>

\*Revenue and disbursements net to zero. Numbers within parentheses: () indicate costs or losses.

\*\*Revenue and distributions net to zero. Officials from the Department of Revenue (DOR) estimate the annual distribution per open contract office from License Office Distribution Fund would be \$57,168.

\*\*\*Reimbursements to law enforcement agencies and/or prosecuting or circuit attorney’s offices are assumed to be less than \$250,000 annually based on past disbursements.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>				
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>Fully Implemented (FY 2031)</b>
Federal*	\$0	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\* Income, savings and expenses are estimated at \$3 million annually and net to \$0.

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>				
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>Fully Implemented (FY 2031)</b>
General Revenue	1.5 FTE	1.5 FTE	1.5 FTE	1.5 FTE
Anti-Trafficking Fund (AGO)	1 FTE	1 FTE	1 FTE	1 FTE
Federal Funds	0.5 FTE	0.5 FTE	0.5 FTE	0.5 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>3 FTE</b>	<b>3 FTE</b>	<b>3 FTE</b>	<b>3 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 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>Fully Implemented (FY 2031)</b>
<b>Local Government*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Revenue and disbursements net to zero.

## 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 approval to publish a new fiscal note.

### §27.170 – Committee on Sex and Human Trafficking Training

**Oversight** notes the provisions of this section, which become effective January 1, 2025, and expire December 31, 2029, establish the Committee on Sex and Human Trafficking Training. On an annual basis, the committee will establish guidelines for the training, which is to be produced and distributed in digital platform, required under sections 56.265, 190.142, 198.082, 211.326, 337.618, and 590.050. The legislation provides that agencies may provide the training, and funding for the training is subject to appropriations.

Oversight will reflect the possibility that the General Assembly could appropriate moneys to this training from the General Revenue Fund and assumes a \$0 to unknown cost to produce and develop the training in a digital platform.

### §135.341 – Champion for Children Tax Credit

In response to a previous version, officials from the **Office of Administration – Budget & Planning (B&P)** stated §135.341.2 would increase the value of the Champion for Children tax credit to 70% of each contribution beginning with tax year 2024. B&P notes that the three-year average redemption amount was \$1,150,031 from FY21-FY23. Had the tax credits been set at 70% of donations, redemptions would have been \$1,610,043; for an increase of \$460,012 in redemptions. This provision will begin impacting GR in FY25 when annual income tax returns are filed.

B&P notes that this proposal would increase the credit value for tax years beginning 2024. However, this proposal would not be effective until August 28, 2024 – after many individuals have already made their donation and received a certificate with a credit value set at 50%. It is unclear if each impacted individual would need to request a new certificate from the agency where the donation was made.

Section 135.341.3 would increase the annual redemption limit from \$1.5 million to \$2.5 million annually beginning with FY25.

B&P notes that this proposal increases the annual redemption limit by more than the estimated impact of increasing the credit value to 70%. Therefore, B&P estimates that in total, this proposal may reduce TSR and GR by \$1 million annually beginning in FY25. This proposal may impact the calculation under Article X, Section 18(e).

Section 135.341.9 extends the program sunset to 2030.

Officials from the **Department of Revenue (DOR)** state the Champion of Children Tax Credit program began in 2013 and granted a tax credit equal to 50% of a donation made to a qualified agency. It originally had a \$1 million cap and is an apportioned credit. It is administered by DOR.

The tax credit is able to be carried over to any subsequent 5 tax years. The credit is not assignable, refundable, transferrable, or can be sold. None of these things change with this proposal. The original credit contained a sunset clause which is extended per this proposal.

In 2018, the cap on the credit was increased starting July 1, 2019, to \$1.5 million annually. For informational purposes DOR is showing the amount of credits redeemed annually over the last several years.

<b>Fiscal Year</b>	<b>Apportioned Cap</b>	<b>Total Credit Redeemed</b>
FY 2023	\$1,500,000	\$1,225,848.00
FY 2022	\$1,500,000	\$884,965.00
FY 2021	\$1,500,000	\$1,339,280.00
FY 2020	\$1,500,000	\$827,942.00
FY 2019	\$1,000,000	\$999,995.00
FY 2018	\$1,000,000	\$999,986.00
FY 2017	\$1,000,000	\$999,873.00
FY 2016	\$1,000,000	\$999,987.00

This proposal starting January 1, 2024, would increase the amount of the credit to 70% of the donated amount. It should be noted that these changes will not be effective until after August 28, 2024. This change in the percentage of the cap will be taken on the tax returns starting January 1, 2025 (FY 2025).

This proposal will also increase the cap on the program starting July 1, 2024. It will increase to \$2,500,000 an increase of \$1,000,000 annually. This will result in an additional loss to general revenue of \$1 million annually starting FY 2025.

Fiscal Year	Loss to General Revenue
FY 2025	(\$1,000,000)
FY 2026	(\$1,000,000)
FY 2027	(\$1,000,000)

It should be noted that due to the backdating of this proposal to January 1, 2024, many of the taxpayers will already have made their donation and received their tax credit certificate at the 50% rate. It is unclear if there will be any cap space left by the time this bill goes into effect to reissue their credit at the 70% rate.

The proposal will require DOR to make changes to the MO-TC form (\$7,138), to update the DOR website and make changes to department's individual income tax computer system (\$1,785). These changes are estimated to cost \$8,923.

**Oversight** notes the DOR assumes the proposal will have a direct impact on their organization due to the DOR requirement to update the tax credit forms and update their website. Oversight will reflect one-time costs for the DOR ITSD updates in amount of \$8,923 in the fiscal note in FY 2025.

**Oversight** notes the last three-year (2021-2023) average redemption totaling \$1,150,031 in tax credits at 50% contribution amounts.

**Oversight** assumes at the 70% contribution, and three-year average redemption amounts shown above, the taxpayers will be able to receive \$1,610,043  $[(\$1,150,031/0.5) \times 0.70]$ .

Oversight notes the proposal allows for increase in the maximum cap as of January 1, 2025 to up to \$2.5 million, therefore, the amount reflected above could exceed the tax credit cap effective in FY 2025.

**Oversight** notes that the new cap would allow the taxpayer receive potentially up to \$1,000,000 more in tax credit if all of the taxpayers were able to redeem the contributions at 70% combined with the additional monies now available thru expended maximum tax credit cap in FY 2025 & FY 2026.

Lastly, **Oversight** notes the program would sunset as of December 31, 2025 (with redemption occurring in FY 2026) without this proposal. Therefore, Oversight will show an impact up to the cap of \$2.5 million in FY 2027 as a continuance of the program beyond the current sunset date.

Officials from the **Oversight Division** state they are responsible for providing a Sunset Report pursuant to Section 23.253 RSMo; however, the Oversight Division can absorb the cost with the current budget authority.

§§136.055, 302.178 & 302.181 – License Office Distribution Fund & License Fees Waived for Homeless Youth

Officials from the **Department of Revenue (DOR)** state the following estimates are based on Missouri Transportation Accounting System Driver License Transaction reporting totals for FY23:

Permits, Driver License, or Non-driver License Issued:

469,472	Total 0-3 year transactions
<u>x \$2.00</u>	Proposed agent transaction processing fee collection increase for 0- 3 year term transactions changing fee from \$6.00 to \$9.00, less \$1.00 to be remitted to License Office Distribution Fund per proposed provisions in §136.055.8.
<b>\$938,944</b>	Total Estimated increase to agent processing fees for 3 year transactions annually
77,310	Total medical certification update transactions
<u>x \$2.00</u>	Proposed agent transaction processing fee collection increase for medical certification update transactions changing from \$6.00 to \$9.00 less \$1.00 to be remitted to License Office Distribution Fund per proposed provisions in §136.055.8
<b>\$154,620</b>	Total estimated agent fee collection increase for medical certificate transactions
948,791	Total 3-6 year transactions
<u>x \$5.00</u>	Proposed agent transaction processing fee collection increase for 3- 6 year term transactions changing fee from \$12.00 to \$18.00, less \$1.00 to be remitted to License Office Distribution Fund per proposed provisions in §136.055.8.
<b>\$4,743,955</b>	Total estimated agent fee collection increase for 3-6yr transactions
<b>\$5,837,519</b>	Total estimated statewide annual contract office revenue increase from portion of proposed processing fee <b>not</b> distributed to new License Office Distribution Fund from Driver License Transactions (\$938,944 + \$4,743,519)

Estimated annual License Office Distribution Fund remittance derived from \$1 of each office processing fee collected for driver license transactions:

469,472	Total 0-3 year transactions
<u>x \$1.00</u>	Proposed \$1.00 portion of proposed agent fee increase to be remitted to License Office Distribution Fund
<b>\$469,472</b>	Total estimated statewide agent fee \$1 remittance to new fund
77,310	Total medical certification update transactions
<u>x \$1.00</u>	Proposed \$1.00 portion of agent fee increase to be remitted to License Office Distribution Fund.
<b>\$77,310</b>	Total estimated statewide agent fee \$1 remittance to new fund

948,791	Total 3-6 year transactions
<u>x \$1.00</u>	Proposed \$1.00 of total proposed agent fee increase to be remitted to the License Office Distribution Fund
<b>\$948,791</b>	Total estimated statewide agent fee \$1 remittance to new fund
<b>\$1,495,573</b>	Total estimated statewide annual amount remitted to and to be distributed from the proposed License Office Distribution Fund from Driver License Transactions
<u>/ 175</u>	Number of possible contract license offices
<b>\$8,546</b>	Estimated annual distribution per open contract offices from License Office Distribution Fund

Total potential annual statewide contract agent fee increase from proposed driver license processing fees in FY 24 and subsequent years = **\$7,333,092**

Impact to other entities

The Department does not have available statistics to determine how many individual transactions are reimbursed or paid for by employers or other entities, however this proposed fee increase will negatively impact these business entities and others providing such fee assistance by increasing the total transaction cost. There will be a loss for each contract license office processing transactions for the office processing fee that would have otherwise been collected for a nondriver license or intermediate license issued to persons meeting the fee waiver eligibility included in this proposed bill under §136.055 specific to persons who qualify as a homeless child or youth or as an unaccompanied youth.

Office Processing Fee loss each New Nondriver License:  
1,359  
x \$12.00  
Approximately **\$16,308** would be loss

Office Processing Fee loss each Intermediate License:  
1,359  
x \$6.00  
Approximately **\$8,154** would be loss

License Office Impact (Nonstate Funds)

Note: The following projections are updated from last year to reflect transactions more accurately.

Contract License office (Independently owned)  
FY 2022 8,420,260  
FY 2023 8,483,142



Average number of transactions for last two fiscal years = 8,451,701

The proposed legislation allows the offices to collect an additional three dollars processing fee, one dollar of that fee goes to the License Office Distribution Fund.

8,451,701	Total MV transactions
<u>x \$2.00</u>	Proposed agent transaction processing fee collection increase for MV transactions changing fee from \$6.00 to \$9.00, less \$1.00 to be remitted to License Office Distribution Fund

**\$16,903,402** Total estimated statewide annual contract office revenue increase from portion of proposed processing fee **not** distributed to new License Office Distribution Fund from MV transactions

Contract Offices (Independently owned)

FY 2024  $8,451,701/12 \times 10 = 7,043,085 @ \$2.00 = \$14,086,170$   
FY 2025  $8,451,701 @ \$2.00 = \$16,903,402$   
FY 2026  $8,451,701 @ \$2.00 = \$16,903,402$

8,451,701	Total Motor Vehicle (MV) Transactions
<u>x \$1.00</u>	Proposed \$1.00 portion of proposed agent fee increase to be remitted to License Office Distribution Fund

**\$8,451,701** Total estimated statewide annual amount remitted to and to be distributed from the proposed License Office Distribution Fund Motor Vehicle Transactions

License Office Distribution Fund projections

FY 2024  $8,451,701/12 \times 10 = 7,043,085 @ \$1.00 = \$7,043,085$   
FY 2025  $8,451,701 @ \$1.00 = \$8,451,701$   
FY 2026  $8,451,701 @ \$1.00 = \$8,451,701$

**Oversight** notes the following: License Office Distribution Fund projections (\$1 per transaction)  $\$8,451,701 + \$1,495,573 = \$9,947,274$

Total estimated statewide annual amount remitted to and to be distributed from the proposed License Office Distribution Fund:

\$9,947,274	Estimated revenue into the License Office Distribution Fund
<u>/ 174</u>	Number of possible contract license offices
<b>\$57,168</b>	Estimated annual distribution per open contract offices from License Office Distribution Fund

**DOR** states the effect on small businesses although positive for the 174 contracted license offices would ultimately affect other small business negatively as their cost for licensing and titling vehicles would increase.

The language in §136.055 does not specifically apply to only driver license/ID processing fees. As written, motor vehicle, notice of lien, and all other processing fees listed in this section are included in the processing fees that must be waived for homeless youth applicants. The Department, for the purpose of this fiscal note, only reflected costs associated with driver license and state ID processing fee waiver requirements. If any other processing fee listed in §136.055 are required to be waived for homeless youth, additional costs will be incurred to make the appropriate system changes. This funding will be requesting through the appropriations process.

### Administrative Impact

To implement these provisions for permit, driver license and nondriver license processing fees, the Department would be required to:

- Complete project request and monitoring documentation as required by OA ITSD for systems projects.
- Complete business requirements and design documents to modify the Missouri Electronic Driver License (MEDL) issuance system;
- Coordinate with the Missouri Transportation Accounting System (MTAS) to create a new accounting code for the \$1.00 fee distributed to the License Office Contribution Fund;
- Update the Missouri Transportation Accounting System (MTAS) and related tables used by the Missouri Electronic Driver License system (MEDL);
- Complete programming and user acceptance testing of the Missouri Electronic Driver License (MEDL) system to ensure system update with the required fee increase;
- Update policies, procedures, and the Uniform License Issuance Manual (ULIM);
- Update forms, manuals, and the Department website;
- Complete training as required.

### FY 2024 Driver License Bureau

Research/Data Assistant 160 hrs. x \$19.38 = \$3,101  
Research/Data Analyst 200 hrs. x \$28.89 = \$5,778  
Administrative Manager 40 hrs. x \$31.36 = \$1,254  
Total = \$10,133

### FY 2024 – Strategy and Communications Office

Associate Research/Data Analyst 1,000 hrs. @ \$19.90/hr. = \$19,900  
Associate Research/Data Analyst 40 hrs. x \$23.15 = \$926

### FY 2024

Total estimated administrative impact – DL Processing \$11,059

**Oversight** notes that in response to similar legislation from the current session (Perfected HCS for HB 1775), officials from **DOR** provided:

Fusion Impact

Motor Vehicle Bureau - Implementation Consultant \$250/hour x 100 hrs. = **\$25,000**  
License Office Bureau - Implementation Consultant 200 hrs. @ \$250 per hr. = **\$50,000**

The costs associated with these legislative changes may be outside of the current contract and identified programming work for the incoming integrated system. As such, the department has included the potential costs associated with making the changes to the integrated system by the department's current vendor.

**DOR** notes the fiscal impact estimated above is based on changes in the current MO Electronic Driver License System and supporting application.

Revenue Impact

The proposed processing fee increases in §136.055 RSMo, will also be applied to transactions occurring in Department operated "Branch" licensing offices (DOR central site) and will be distributed to the various funds as required.

Estimated Annual Increase for Permits, Driver License, or Nondriver License Issued:

1,539	Estimated annual 0-3 year transaction processing fees in DOR Branch Office
<u>x \$3.00</u>	Amount of fee increase from proposed change from \$6.00 to \$9.00
\$ 4,617	Estimated annual increase in DOR branch office processing fees

180	Estimated annual 0-3 year transaction processing fees for medical certificates
<u>x \$3.00</u>	Amount of fee increase from proposed change from \$6.00 to \$9.00
\$540	Estimated annual increase in revenue from DOR central office processing fees to be distributed to Hwy Fund, Cities and Counties.

5,726	Estimated annual 3-6 3 year transaction processing fees in DOR Branch Office
<u>x \$6.00</u>	Amount of fee increase proposed from \$12.00 to \$18.00
\$34,356	Estimated annual increase in DOR branch office processing fees

\$34,356 + \$4,617 + \$540 = **\$39,513** Total DL Proposed Increase in DOR Central Processing Fees-Distributed to Highway Fund

**Oversight** notes revenue calculations as follows: Estimated Annual Increase for State office title, registration issuance/renewal, online registration renewal, phone in registration renewal, and registration transfers issued:

**Highway Fund 75% (\$29,635)**

**Cities 15% (\$5,927)**  
**Counties 10% (\$3,951)**

1,014,102 Estimated annual Motor Vehicle (MV) in DOR Branch Office  
x \$3.00 Amount of fee increase from proposed change from \$6.00 to \$9.00  
**\$3,042,306** Estimated annual increase in DOR branch office processing fees

Total annual increase to the Highway Fund, Cities and Counties from increase in DOR branch office processing fee collections:

**Highway Fund (\$2,281,729)**  
**Cities (\$456,346)**  
**Counties (\$304,231)**  
**= \$3,081,819 (\$39,513 + \$3,042,306)**

Estimated Annual Increase for Notice of Lien and Duplicate Titles (**General Revenue**):

548,805 Estimated annual 3-6 3 year transaction processing fees in DOR Branch Office  
x \$3.00 Amount of fee increase proposed from \$6.00 to \$9.00  
**\$1,646,415** Estimated annual increase in DOR branch office processing fees

**DOR** states Total Central Office Processing Fees to be distributed to Highways/Cities/Counties - FY 25 \$2,574,768 and FY26 & FY 27 \$3,081,819.

The fiscal impact estimated above is based on changes in the current Department's Motor Vehicle and Driver Licensing system environment. The implementation of this legislation will be coordinated with the integration of the Department's Motor Vehicle and Driver Licensing software system approved and passed by the general assembly in 2020 (Senate Bill 176). To avoid duplicative technology development and associated costs to the state, it is recommended a delayed effective date be added to this bill to correlate with the installation of the new system.

Anticipated Impact to General Counsel's Office:  
Administrative Impact

GCO-MVDL Anticipates:  
Future legal challenges to the way the license office distribution fund collects and distributes funds could result in legal expenses for the state. If such litigation is significant, additional funding will be requested through the appropriations process.

Anticipated Impact To License Offices Bureau:  
(Impact details below) Minimal Impact  
Estimated Fiscal Impact  
FY 2025 License Offices Bureau  
Staff Development Trainer 120 hrs. x \$21.79 = \$2,615  
Administrative Manager 120 hrs. x \$29.31 = \$3,518

Implementation Consultant 200 hrs. @ \$250 per hr. = \$50,000

**Oversight** assumes DOR will use existing staff and will not hire additional FTE to conduct these activities; therefore, Oversight will not reflect the administrative costs DOR has indicated on the fiscal note.

**DOR** also notes OA-ITSD services will be required at a cost of **\$76,710** in FY 2025 (730.57 hours x \$105 per hour). This includes ITSD costs DL (\$22,685) + ITSD costs MV (\$54,025).

Proposed changes to Missouri Statute Section(s): 136.055  
Description of Legislation Impact to License Office Bureau (LOB):

136.055.1.(1): Increases MV or trailer registration renewal or transfer fees from \$6 to \$9 (annual registration), and biennial registrations from \$12 to \$18. Minimal –

- Updates to procedure
- Update training information.
- Provide training to License Office (LO) staff.
- LO outreach in LON articles.

136.055.1(2): Increases application or transfer title fees from \$6 to \$9.

136.055.1(3): Increases permit, Non-DL, DL fees for renewals 3yrs or less from \$6 to \$9 and renewals >3yrs from \$12 to \$18.

136.055.1(4): Increases notice of lean processed from \$6 to \$9.

136.055.2: Adds separation of service requirement for DOR employees from participating in LO contracts from an ownership perspective. 1 year minimum separation. Also grants nonprofits a 5% evaluation credit on license office bids. Minimal –

- Updates to procedure
- RFP evaluation review procedures for compliance.

136.055.3 & 136.055.4: Clarifies language regarding fees and use by contract fee offices and DOR. *No impact*

136.055.10: Sets up the License Office Distribution Fund, comprised of \$1 of each transaction completed by contract license offices Minimal –

- Minimal - Updates to procedure
- Update training information.
- Provide training to LO staff.
- LO outreach in LON articles.

136.055.10 (1-3): “License Office Distribution Fund” created by the State Treasurer and the State Treasurer will be the custodian of the funds. *No impact*

136.055.10 (4): Defines disbursements from the Distribution fund on a quarterly basis beginning December 31, 2025 – February 15, 2026. *No impact*

136.055.10 (5): Identifies whom will receive the distribution funds and how those funds will be distributed should contract transition during a quarter. Minimal –

- Minimal - Updates to procedure
- Update training information.
- Provide training to LO staff.
- LO outreach in LON articles.
- Vendor Reports for disbursement.
- Transaction Counts by vendor.
- Disbursement warrants

136.055.10 (6)(a-d): Defines disbursement timelines:

- Quarter of Jan 1st – March 31st, Disbursement no later than May 15th.
- Quarter of April 1st – June 30th, Disbursement no later than August 15th.
- Quarter of July 1st – September 30th, Disbursement no later than November 15th.
- Quarter of October 1st – December 31st, disbursement no later than February 15th of the following year.

Minimal –

- Minimal - Updates to procedure
- Update training information.
- Provide training to LO staff.
- LO outreach in LON articles.
- Vendor Reports for disbursement.
- Transaction Counts by vendor.
- Disbursement warrants

136.055.8: The new section adds language to waive office processing fees for persons who qualify as a homeless child or youth as defined in subsection 1 of 167.00 or as an unaccompanied youth as defined in 42 U.S.C Section 11434a (6). The person's status shall be verified by a letter signed by a director or designee of a governmental or nonprofit agency that receives public or private funding to provide services to a homeless person, a local education agency liaison for homeless children and youth designated under 42 U.S.C. Section 11432(g) (1) (J) (ii); licensed attorney representing the minor in a legal matter, or a school social worker or counselor.

302.178.1(f): Adds provisions to expand the definition of emancipated minor as it applies to issuance of an intermediate driver license to include persons qualified as a homeless child or youth as defined in subsection 1 of section 167.020, or as an unaccompanied youth as defined in 42 U.S.C. Section 11434a (6), and status verified under subsection 10 of this section.

302.178.4: This legislation is adding language to this section that intermediate license fees shall be waived for any person qualifying as an emancipated minor under subdivision (4) of subsection 1 of this section.

302.178.10: This new section adds language that a person's status as a homeless child, youth, or unaccompanied youth under paragraph (f) of subdivision (4) of subsection 1 of this section shall be verified by a letter signed by a director or designee of a governmental or nonprofit agency that receives public or private funding to provide services to homeless persons, a local education agency liaison for homeless children and youth designated under 42 U.S.C. Section 11432(g) (1)

(J) (ii), or a licensed attorney representing the minor in any legal matter.

302.181.6: Adds language to this subsection that no nondriver license transaction fees shall be collected from a homeless child or youth, as defined in subsection 1 of section 167.020, or an unaccompanied youth, as defined in U.S.C Section 11434a (6) for a first nondriver license card issued under this subsection. The person's status is verified by a letter from a director or designee of a governmental or nonprofit agency that receives public or private funding to provide services to a homeless person, a local education agency liaison for homeless children and youth designated under 42 U.S.C. Section 11432(g) (1) (J) (ii), a licensed attorney representing the minor in any legal matter, or a school social worker or counselor.

Pursuant to this language fees for subsequent, new, renewal or duplicate nondriver license transactions would be issued at full required fees.

Administrative Impact

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

- Complete business requirements and design documents to modify the Fusion system, to remove the fee for a nondriver for homeless child, youth, or an intermediate for emancipated youths.
- Complete programming and user acceptance testing of the Fusion issuance system;
- Obtain format and procedure approvals from Secretary of State and others as applicable;
- Update policies, procedures, and the Uniform License Issuance Manual (ULIM);
- Update forms, manuals, and the Department website;
- Complete training as required.

FY 2024 – Driver License Bureau

Research/Data Assistant 360hrs. @ \$19.38 per hr. =\$ 6,976  
Research/Data Analyst 400hrs. @ \$28.89 per hr. =\$11,556  
Administrative Manager 80 hrs. @ \$31.36 per hr. =\$ 2,508  
Total \$21,040

FY 2024 – Strategy & Communication Office

Associate Research/Data Analyst 20 hrs. @ \$23.15 per hr. =\$463  
Associate Research/Data Analyst 10 hrs. @ \$23.15 per hr. =\$231  
Total \$694

Total Costs = **\$21,734**

**Oversight** assumes DOR will use existing staff and will not hire additional FTE to conduct these activities; therefore, Oversight will not reflect the administrative costs DOR has indicated.

**DOR** also notes OA-ITSD services will be required at a cost of **\$61,462** in FY 2025 (585.35 hours x \$105 per hour).

**Oversight** does not have any information to the contrary in regards to DOR's assumptions; therefore, Oversight will reflect DOR's OA-ITSD costs on the fiscal note.

*Revenue Impact*

**DOR** noted during FY 22 there were a total of 113,014 new nondriver licenses issued. During FY 23 there were a total of 44,141 new nondriver licenses issued. DOR does not have statistics to determine of this count how many potential annual applicants may be eligible for a fee waiver under the proposed provisions, therefore the total impact to State and Local Revenue is unknown; however, anticipated to be **less than 10,000 applicants**.

For each fee waiver eligible nondriver license issued pursuant to this proposed language in §302.181 there would be a loss to General Revenue of: \$6.00

Based on the statistics according to the National Conference of State Legislatures (NCSL), as of January 2019, 6,179 individuals of all ages were homeless in Missouri. Of these, 1,359 were under the age of 18.

DOR assumes there will be a minimal loss of revenue from this proposal. Total estimated loss would be \$16,308. This will not reflect a material loss to the Highways, Cities, and Counties.

During FY 2022 there were a total of 52,348 new intermediate licenses issued. During FY 2023 there were a total of 54,028 new intermediate licenses issued. It is unknown how many potential applicants may be eligible for a fee waiver under the proposed provisions, therefore the total impact to State and Local Revenue is unknown; however, anticipated to be less than 10,000 applicants.

For each fee waiver eligible Intermediate Driver License issued pursuant to this proposed language in §302.178 there would be a loss of fees distributed to the Hwy Fund and Local Funds for cities and counties as follows

Hwy Fund Loss (75%) = \$3.75  
Cities Fund Loss (15%) = \$0.75  
Counties Fund Loss (10%) = \$0.50

Based on the statistics according to the National Conference of State Legislatures (NCSL), as of January 2019, 6,179 individuals of all ages were homeless in Missouri. Of these, 1,359 were under the age of 18.

DOR anticipates there will be a minimal loss of revenue from this proposal. Total estimated loss would be \$16,308.

For each issued document the Department would have to pay contracted fees to the card vendor



for printing and postage costs equaling \$2.5571 per card.

There would also be a loss to Highways, Cities, and Counties for office processing fees which would have been collected for nondriver or intermediate license transactions issued in State license offices eligible for waiver of fees pursuant to the proposed language in §136.055. An estimated volume of eligible applicants applying in State branch office is unknown; however, anticipated to be less than 10,000 applicants.

Office Processing Fee each New Nondriver License: \$12.00

Office Processing Fee for each Intermediate License \$ 6.00

For each issued document the Department would not reimburse any processing fee's according to the new provisions in §136.055.8

#### Fusion Impact

This may disrupt work already developed/tested and require rework/re-test. The vendor recommends a July 2025 implementation date to reduce impact.

Vendor estimated:

- 400 hours (200 hours of development and 200 hours of testing)

Implementation Consultant 400 hrs. @ \$250 per hr. = **\$100,000**

The costs associated with these legislative changes may be outside of the current contract and identified programming work for their incoming integrated system. As such, the department has included the potential costs associated with making the changes to the integrated system by the department's current vendor.

The Department, for the purposes of this fiscal note, is only accounting for system changes to DOR's Driver Licensing Systems. The language added in §136.055 is vague, and would benefit from specific reference to driver licenses and nondriver license ID's only. If the intent of this provision is to exempt processing fees for motor vehicle titling and registrations, or any other processing fees found in §136.055, **an additional \$25,000 fusion programming fee will be incurred.** The Department suggests revisions to specify that only driver licenses and nondriver license ID's qualify for the processing fee exemption.

The costs associated with these legislative changes may be outside of the current contract and identified programming work for their incoming integrated system. As such, the department has included the potential costs associated with making the changes to the integrated system by the department's current vendor.

#### Revenue Impact

The Department does not collect data that would reflect the number of homeless children, homeless youth, or unaccompanied youth that would use this waiver. This legislation will therefore result in an unknown loss in processing fees paid to the state for transaction where a processing fee would be collected. **It is anticipated this impact will be minimal.**

The fiscal impact estimated above is based on changes in the current Department's Motor Vehicle and Driver Licensing system environment. The implementation of this legislation will be coordinated with the integration of the Department's Motor Vehicle and Driver Licensing software system approved and passed by the general assembly in 2020 (Senate Bill 176). To avoid duplicative technology development and associated costs to the state, it is recommended a delayed effective date be added to this bill to correlate with the installation of the new system.

As regards §136.055, officials from the **Missouri Department of Transportation (MoDOT)** assume the revenues collected from these fees are state revenue derived from highway users (SRHU) subject to the distribution requirements set out in Article IV, Section 30(b)1, Missouri Constitution, meaning only 3% of these fees should go to DOR and the remaining revenue should be deposited into the State Road Fund (SRF).

Currently, these funds are not being deposited to the SRF, but rather 100% of the proceeds of these fees are distributed to the privately or not-for-profit owned and operated DOR license offices.

MoDOT does not have the numbers to determine the current negative fiscal impact to MHTC/MoDOT from this diversion and any increased negative fiscal impact due to the increase in fees.

Therefore, MoDOT defers to DOR for these numbers and for the other sections of the bill.

This diversion also impacts cities and counties.

Officials from the **Office of Administration - Budget and Planning (B&P)** state sections 136.055, 302.178, and 302.181 waive license fees for homeless youth. It is unknown how many homeless youth will request fee exemptions for these licenses. Therefore, to the extent that fewer license fees are collected, total state revenue may decrease by an unknown amount beginning August 28, 2024.

**Oversight** assumes there will be a minimal impact to total state revenue from this proposal; therefore, Oversight will not reflect a material loss to total state revenue.

#### §190.142 – Ambulance services and emergency personnel

Officials from the **Department of Health and Senior Services (DHSS)** state section 190.142.2(5) of the proposed legislation requires emergency medical technicians (EMTs),

including paramedics, to receive four hours of sex and human trafficking training as part of the continuing education requirements for re-licensure with the DHSS every five years. The Division of Regulation and Licensure's Bureau (DRL) of Emergency Medical Services will have the ability to verify the sex and human trafficking continuing education requirement during the EMT and paramedic re-licensure process.

DHSS assumes they can absorb the costs of this portion of the 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** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for DHSS for this section.

§§192.2550 - 192.2560 - Creates a prescribed pediatric extended care facility license

Officials from **DHSS** stated, per section 192.2552, service providers in the PPEC model would be required to hold licensure as a Prescribed Pediatric Extended Care facility from the Department of Health and Senior Services and be required to meet inspection standards set forth by the Division of Regulation and Licensure.

The proposed legislation also establishes the licensing and regulation of Prescribed Pediatric Extended Care Facilities beginning August 28, 2025. Section 192.2554.1 tasks the Department of Health and Senior Services (DHSS) with licensing and inspecting Prescribed Pediatric Extended Care Facilities, along with promulgation of rules and regulations to establish standards of service and care. Service providers in the Prescribed Pediatric Extended Care (PPEC) model would be required to hold licensure as a Prescribed Pediatric Extended Care facility from the Department of Health and Senior Services (DHSS) and be required to meet inspection standards set forth by the Division of Regulation and Licensure (DRL).

The Department's Division of Regulation and Licensure will need one FTE Registered Nurse (annual salary of \$75,000), who's financial impact will be split between general revenue and federal funds, to carry out the provisions outlined in the proposed legislation. This is assumed to be a remote position.

In addition, the provisions in the proposed legislation will require the Department, in consultation with the Information Technology Services Division (ITSD), to create a website and publish educational materials; an online license application system with a click-to-pay feature; and a database or system to track licensed facilities, inspection dates, inspection records, complaints, and investigations. The total estimated cost is **\$90,720**. These ITSD costs will be needed in FY 2025 to be operational by program start date.

Section 192.2550, upon submission of a State Plan Amendment by the Department of Social Services (DSS) and approval by the Centers for Medicare and Medicaid Services (CMS) the Prescribed Pediatric Extended Care Facility (PPEC) model would be created as a new home and

community-based service under Missouri's Medicaid program which the Division of Senior and Disability Services (DSDS) would administer.

Currently, services such as private duty nursing, physical therapy, occupational therapy and speech therapy are delivered to individual medically complex children typically in the participant's home. Adoption of the PPEC model would provide children with medical complexities the opportunity to thrive socially, emotionally, and medically by receiving coordinated care through an inclusive daycare setting, as opposed to receiving one-on-one nursing in the home. It would also enable parents and caregivers to work or attend school without the challenges of scheduling through a provider agency while also alleviating some of the critical shortage of nurses to provide Private Duty Nursing (PDN) services, as nurses will be able to serve multiple children simultaneously.

The average cost of PDN and therapy services for this population in FY 2023 was \$447 per day. The per diem for the PPEC model is estimated to be less than \$400 per day. The same FMAP split would be applicable to both current practices and the PPEC model.

The Division of Senior and Disability Services assumes that 36 participants would be served by PPEC facilities statewide for an estimated 261 days per year (Monday through Friday, most weeks) with an 80 percent attendance rate. Under the existing service structure, the cost per year for 36 children in FY 2023 was approximately \$3,360,010 (36 participants \* 261 days \* 80 percent \* \$447 per day). Under the PPEC model, if chosen by the participant, the cost for 261 days would be an estimated \$3,006,720 (36 participants \* 261 days \* 80 percent \* \$400 per day). This would result in an **estimated total cost savings of \$353,290** (36 participants \* 261 days \* 80 percent \* \$47 difference per day) (**\$120,101 GR**; \$233,189 Federal). The savings would not be recognized in State Fiscal Year 2025, and would begin with State Fiscal Year 2026.

DSDS would be required to develop criteria, regulations, and policies for PPEC services providers for staffing, quality, qualification, and training standards. DSDS anticipates being able to absorb these costs; however, until the Fiscal Year 2025 budget is final cannot identify specific funding sources.

Section 192.2552, service providers in the PPEC model would be required to hold licensure as a Prescribed Pediatric Extended Care facility from the Department of Health and Senior Services and be required to meet inspection standards set forth by the Division of Regulation and Licensure. Section 192.2556, service providers in the PPEC model would be required to have an active, nonsuspended license to operate a childcare facility issued by the Department of Elementary and Secondary Education.

DHSS is unable to determine the exact cost of the proposal due to the following unknown factors:

- if CMS would approve state plan amendments to add prescribed pediatric extended care as a home and community-based service;
- the number of participants who would opt for prescribed pediatric extended care;

- the amount of units of prescribed pediatric extended care each participant would use;
- the number of providers who would participate as prescribed pediatric extended care agencies

**Oversight** does not have information to the contrary. Therefore, Oversight will reflect the estimates as provided by the DHSS.

In response to similar legislation from the current session (HCS for HB 1975), officials from the **Office of State Courts Administrator** stated there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

In response to similar legislation from the current session (HCS for HB 1975), officials from the **Office of Attorney General (AGO)** assumed any additional litigation costs arising from this proposal can be absorbed with existing personnel and resources. However, the AGO may seek additional appropriations if there is a significant increase in litigation.

**Oversight** does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

§§210.201, 210.211, 210.252 and 210.275 - Childcare provider licensing requirements for certain providers

**Oversight** notes, in response to similar legislation from the current session (SCS for SB 899), officials from **Department of Elementary and Secondary Education** responded that the provisions in these sections 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.

**Oversight** notes under current law, any program licensed as a childcare provider that provides childcare to school-age children located and operated on elementary or secondary school property shall be deemed in compliance with child care licensure requirements relating to safety, health, and fire. This proposal expands this provision to apply to all licensed programs providing childcare to only school-age children, regardless of where such program is located and operated. Therefore, Oversight will reflect a zero (program is compliant) to an unknown (costs to meet licensure requirements) in the fiscal note.

§210.221 - Temporary child care provider licenses

In response to a similar proposal from the current session (SS for SCS for SB 811), officials from the **Department of Elementary and Secondary Education (DESE)** stated that, while §210.221.1(6) allows for the issuance of a temporary child care license, it does not address the length of time the license may be in place, background checks, or safe sleep. It only addresses fire and sanitation inspections. DESE anticipates no fiscal impact for this section.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for DESE.

§210.1505 – Statewide Council Against Adult Trafficking and the Commercial Sexual Exploitation of Children

In response to a previous version, officials from the **Missouri Senate (SEN)** anticipated a negative fiscal impact to reimburse two senators for travel to Statewide Council Against Adult Trafficking and the Commercial Sexual Exploitation of Children Council meetings.

The SEN assumes meetings will be held in Jefferson City during the interim. The average of the total round trip miles for current sitting senators is 256 miles and the current mileage rate, as set by the Office of Administration is \$0.655 cents per mile. Therefore, the SEN estimates a total cost for two senators' mileage of approximately \$335 per meeting. The SEN assumes there will be travel for four meetings per year at a cost of \$1,341. The SEN assumes no fiscal responsibility for the other committee members.

**Oversight** does not have any information to the contrary. Oversight notes extrapolating the SEN's anticipated expenses to the entire task force (21 people) would be approximately \$3,521 per meeting. Oversight assumes four meetings per year for a total cost of \$14,085.

Officials from the **Missouri House of Representatives (MHR)** state the House will absorb any reasonable expenses of their members serving on the council. There will be no fiscal impact.

In response to similar legislation from 2024 (HB 1450), officials from the **Attorney General's Office (AGO)** assumed the need for one (1) Council Chair/Executive Director (210.1505.1(1)) and one (1) administrative support staff to fulfill the duties of section 210.1505.3.

**Oversight** does not have any information contrary to that provided by AGO. Therefore, Oversight will reflect AGO's impact for fiscal note purposes.

**Oversight** notes the provisions of this section establish the Anti-Trafficking Fund, which consists of moneys appropriated by the General Assembly as well as any gifts, donations, grants, and bequests. Moneys in the fund shall be used solely to pay for the position of the executive director of the statewide council, education and awareness regarding human trafficking, and anti-trafficking efforts through the state.

**Oversight** will reflect the possibility that the General Assembly could appropriate moneys to this new fund from the General Revenue Fund. For fiscal note purposes, Oversight assumes services provided under this proposal will equal income/appropriations and net to zero.

§210.560 - Money held by the Children's Division for the benefit of a child

Officials from the **Department of Social Services (DSS), Children's Division (CD)** state this bill requires CD to:

- Determine whether a child coming into the custody of the Division is eligible for or receiving U.S. Railroad Retirement Board, Social Security, or Veterans Administration benefits within 60 days of entering the Division's legal custody.
- If the child is already receiving the benefits before being placed in the division's custody or if the division applies for the benefits on behalf of the child, then the division shall identify, in consultation with the child and the child's legal representative, a representative payee in accordance with 20 CFR 404.2021 and 20 CFR 416.621 and shall apply to become the representative payee only if no other suitable candidate is available.
- Requires CD to annually review cases of children in the division's custody to determine whether a child may have become eligible for benefits after the division's initial assessment.

Currently, money in the child's accounts may be used by CD to pay for care or services for the child.

Under this act, such money shall not be used to pay for care or services for the child. However, U.S. Railroad Retirement Board, Social Security, or Veterans Administration benefits may be used by the Division for the child's unmet needs beyond what the Division is otherwise obligated to pay.

Finally, the accounts in which the child's benefits shall be placed shall be established in a manner consistent with federal and state asset and resource limits and may include a special-needs trust, a pooled special-needs trust, an ABLE account, as defined in section 209.600, or any other trust account determined not to interfere with asset limitations for any state or federal benefit program for which the child may be eligible.

Research on August 2, 2023 for month of July 2023 showed the following:

- 676 youth in foster care receive Supplemental Security Income (SSI);
- 663 youth in care receive Old-Age, Survivors and Disability Insurance (OASDI); and
- 87 youth in care receive both types of benefit

Currently, KIDS accounts (money held by others for benefit of a child) include both SSI and OASDI benefit types. In FY 2023, CD had expenditures in the amount of \$9,338,712 using KIDS accounts on foster care maintenance and services for the child. These funds would need to be replaced to pay for the care of the child. Some of the costs could be eligible for federal match from other programs such as Title IV-E and TANF. The expected federal match rate overall is 29.68%. The impact due to the loss of these revenues based on the current earnings rate would be as follows:

\$6,566,982 GR

+\$2,771,730 Federal  
**\$9,338,712 Total**

However, over the past three years, the revenues and expenditures from the Social Security and KIDS Account has decreased. With the emphasis of placing youth with relatives, DSS would expect this to continue to decrease. Additionally, the Department's federal earning rate of 29.68% could increase with the decrease of SSI and OASDI benefits.

Therefore, for the impact of reduction of SSI and OASDI revenues, the Department is projecting **unknown but up to \$9,338,712.**

Children's Division can set up ABLE (Achieving a Better Life Experience) accounts for children in care, when CD is the payee. However, the Children's Division does not have staff in place to supervise the continuing management of these accounts when they leave CD custody. Therefore additional resources would be needed to establish accounts where CD is not the payee and to manage the ABLE accounts. The bill, as drafted, requires CD to annually review cases of kids in care to determine if they are eligible for benefits, and to apply for benefits on behalf of the child if CD determines that the child is eligible.

The Department of Social Services and the Children's Division do not have sufficient staff and resources to implement the statute as written. DSS has determined that it would need to enter into contracts with qualified lawyers and/or companies to effectively implement this proposed statute. There are lawyers and private companies that handle these types of cases on behalf of children and adults. They have the training, experience and staff to handle these cases. If the program is structured properly they will also be able to ensure that there is continuity of assistance and representation if the child is discharged from CD custody or ages out of the system.

There are scenarios that might give rise to Children's Division involvement in cases described in 455.513.4, where the juvenile respondent's behavior is somehow directly tied to a lack of parental supervision or a juvenile whose mental health or behavioral needs are beyond the parent/guardian's ability. However, this would be the case regardless of whether any accompanying Order of Protection hearing is held in circuit court (currently the case for 17-year-olds) or juvenile court as proposed.

The Children's Division reached out to the Office of State Courts Administrators to ascertain if OSCA had annual data which could provide statewide, aggregate number of cases filed under Section 453.513, either last year or last few years, where the respondent was an older youth between 17 and 18 years old. OSCA did not.

Therefore, DSS would need to enter into contracts to administer this program. The Division does not know yet how this contract would be structured. **Therefore, the cost to implement is unknown. Since the estimate of lost revenues is most likely high, and the cost to implement is unknown, the Department is providing an impact of unknown, but cost could be up to**



**\$9,338,712 (\$6,566,982 GR, \$2,771,730 Federal), which is the highest amount of estimated potential lost revenues.**

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the DSS, CD.

Officials from the **Department of Revenue (DOR)** state the proposal allows the DSS Children's Division to apply for certain benefits (e.g. Social Security) on behalf of a child, and requires the Division to annually review eligibility for such benefits. The proposal newly prohibits the Division from expending money it receives in the name of the child for the care or services for the child, except that the Division can use the earlier-mentioned certain benefits (e.g. Social Security) for the child's unmet needs beyond what the Division is required or agrees to pay. The proposal clarifies the financial account established by the Division for a child may include an ABLE account, among other accounts. No direct impact on DOR.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for DOR.

In response to a previous version, officials from the **Office of Administration - Budget and Planning** deferred to DSS for the potential fiscal impact of this proposal.

In response to a previous version, officials from the **Office of the State Courts Administrator** and the **Henry County R-1 School District** each assumed the proposal would 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.

#### §210.841 - Child Custody in Paternity Actions

In response to similar legislation from the current session (SB 878), officials from the **Office of the State Courts Administrator** assumed the proposal would 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.

#### §§211.038 and 487.200 – Medication-Assisted Treatments and Child Placement

In response to similar legislation from the current session (SB 863), officials from the **Office of the State Courts Administrator** assumed the proposal would 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 this agency.

#### §211.221 - Child placing agencies to consider religious faith when placing a child

In response to similar legislation from the current session (SB 1133), officials from the **Office of State Courts Administrator** 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 in the fiscal note for this agency.

§337.618 – Social workers to have sex/human trafficking training

Officials from the **Department of Corrections (DOC)** state §337.618 requires licensed social workers to complete two hours of sex and human trafficking training in order to renew their license. This would have a minimal impact on the department, which could be absorbed.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

§452.375- Child Custody Arrangements

In response to a previous version, officials from the **Office of the State Courts Administrator**, the **Office of the State Public Defender** and the **Missouri State University** assumed the proposal would 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.

§§452.705, 452.730, 452.885, 452.1100, 452.1102, 452.1104, 452.1106, 452.1108, 452.1110, 452.1112, 452.1114, 452.1118, 452.1120, 452.1122 & 487.110 – Prevention of Child Abductions

In response to a similar proposal from the current session (HB 1660), officials from the **Office of State Courts Administrator (OSCA)** state there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

In response to a similar proposal from the current session (HB 1660), officials from the **Attorney General's Office** assumed the proposal would 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 this agency.

**Officials from the Department of Social Services (DSS)** state this bill modifies sections relating to the Uniform Child Abduction Prevention Act. DSS anticipates no fiscal impact.

**Oversight** notes the following cases filed and disposed over the past 5 years involving children in domestic relations:

<b>CASES FILED</b>						
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>5yr. Avg</u>
Domestic Relations:						
Child Protection Extension/Modification	2	-	-	1	-	1
Child Protection Order	8,208	7,590	7,584	8,705	8,729	8,163
Dissolution of Marriage with Children	9,470	10,725	10,418	10,839	11,471	10,585
Registration of Foreign Judgment - Custody	116	115	112	110	123	115
TOTAL	17,796	18,430	18,114	19,655	20,323	18,864

Source: Table 17 from OSCA's Annual Judicial & Statistical Report Supplemental

<b>CASES DISPOSED</b>						
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>5yr. Avg</u>
Domestic Relations:						
Child Protection Extension/Modification	-	-	-	1	-	0
Child Protection Order	8,139	7,393	7,341	8,564	8,688	8,025
Contempt (Includes IV-D)	475	488	683	680	827	631
Dissolution of Marriage with Children	10,175	10,667	9,789	11,006	11,294	10,586
Registration of Foreign Judgment - Custody	115	114	115	106	121	114
TOTAL	18,904	18,662	17,928	20,357	20,930	19,356

Source: Table 17 from OSCA's Annual Judicial & Statistical Report Supplemental

§§452.1200, 452.1202, 452.1204, 452.1206, 452.1208, 452.1210, 452.1212, 452.1214, 452.1216, 452.1218, 452.1220, 452.1222, 452.1224, 452.1226, 452.1228, 452.1230, 452.1232, 452.1234, 452.1236, 452.1238, 452.1240, 452.1242, 452.1244, 452.1246, 452.1248, 452.1250, 452.1252, 452.1254, 452.1256 & 452.1258 - Uniform Deployed Parents Custody and Visitation Act

In response to a similar proposal from the current session (HB 1494), officials from the **Office of State Courts Administrator (OSCA)** stated there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

In response to a previous version, officials from the **Department of Commerce and Insurance (DCI)** stated the department believes the costs of this bill can be absorbed within their current appropriations. However, should the cost be more than anticipated, the department would request an increase to their FTE and/or appropriations as appropriate through the budget process.

In response to a similar proposal from the current session (HB 1494), officials from the **Department of Public Safety's Missouri Veterans Commission**, assumed the proposal would 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 this agency.

Officials from the **Department of Social Services (DSS)** state these sections may be cited as the "Uniform Deployed Parents Custody and Visitation Act". There will be no fiscal impact to DSS.

§§453.700 - 453.742 - Uniform Unregulated Child Custody Transfer Act

In response to a similar proposal from the current session (HB 2631), officials from the **Office of the State Public Defender (SPD)** state per the recently released National Public Defense Workload Study, the new charge contemplated by this change to Section 453.710, which will impact SPD's child clients, would take approximately fourteen hours of SPD work for reasonably effective representation. If one hundred cases were filed under this section in a fiscal year, representation would result in a need for an additional attorney. Because the number of cases that will be filed under this statute is unknown, the exact additional number of attorneys necessary is unknown. Each case would also result in unknown increased costs in the need for core staff, travel, and litigation expenses. However, if the charge was classified as a class D misdemeanor no jail time would be authorized and the cases would not qualify for SPD representation.

**Oversight** assumes this proposal will create a minimal number of new cases and that the SPD can absorb the additional caseload required by this proposal with current staff and resources. Therefore, Oversight will reflect no fiscal impact to the SPD for fiscal note purposes. However, if multiple bills pass which require additional staffing and duties, the SPD may request funding through the appropriation process.

In response to a similar proposal from the current session (HB 2631), officials from the **Missouri Office of Prosecution Services (MOPS)** state no measurable fiscal impact to MOPS. The enactment of a new crime creates additional responsibilities for county prosecutors and the circuit attorney which may in turn result in additional costs which are difficult to determine.

**Oversight** does not have any information to the contrary. Therefore, Oversight assumes MOPS will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the MOPS for fiscal note purposes.

In response to a similar proposal from the current session (HB 2631), officials from the **Office of the State Courts Administrator** assumed the proposal would 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 this agency.

Officials from the **Department of Social Services (DSS)** state the provisions in this chapter relate to the "Uniform Unregulated Child Custody Transfer Act". There will be no fiscal impact to DSS for this section.

§454.1050 - "Bentley and Mason's Law" – Adds child maintenance provisions for certain children

Officials from the **Department of Corrections (DOC)** state this bill stipulates that the court shall order a defendant convicted of the offense of driving while intoxicated to pay restitution for a child whose parent or guardian died as a result of such offense. The order of restitution under this section shall require the defendant to make restitution directly to the person or agency that will accept and forward restitution payments to the victim or other person eligible for restitution under this section; or deliver payment for restitution to the division of probation and parole or to the department of corrections for transfer to the victim or person or state as appropriate.

Currently the division of probation and parole does not accept payment for any form of restitution. DOC collects restitution from incarcerated individuals when it receives an order from the prosecuting attorney and then remits payment to the prosecuting attorney in accordance with §559.105.

There would be an unknown fiscal impact to update the DOC offender management system in order to send payments directly to individual victims. It is unclear the amount of additional staff that would be necessary to process and remit these additional payments. It is also unclear if the Department of Corrections would be required to continue receiving and issuing payments to the victims after the defendant has been released from the department's supervision.

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by DOC as an unknown fiscal impact exceeding \$250,000 annually for additional staff, resources and systems updates.

Officials from the **Department of Social Services (DSS)** state this bill creates a new section 454.1050, establishing "Bentley and Mason's Law", which provides that the court shall order a defendant convicted of the offense of driving while intoxicated to pay restitution for a child whose parent or guardian died as a result of such offense. The court shall determine a monthly amount to be paid for the support of the child until the child reaches eighteen years of age or has graduated from high school, whichever is later. If a defendant ordered to pay restitution is unable to make the required restitution payments because the defendant is confined or imprisoned in a correctional facility, the defendant shall begin payments no later than the first anniversary of the date of the defendant's release from the facility. There will be no fiscal impact to DSS

In response to a similar proposal from the current legislative session (HCS for HB 1958), officials from the **Office of the State Courts Administrator**, the **Office of the State Public Defender**, the **University of Missouri System**, **Missouri State University** and **Northwest Missouri State University** each assumed the proposal would 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.

#### §455.010 – Offense of sexual assault

In response to a previous version, officials from **B&P** stated §455.010 narrows the offense of sexual assault. It is unknown how many violations of this section may occur annually under this

statute or the fines that may be imposed per occurrence. Therefore, this proposal could decrease total state revenue by an unknown amount beginning August 28, 2024.

**Oversight** assumes there will be a minimal amount of violations under this section resulting in an insignificant fiscal impact. Therefore, Oversight will not reflect a fiscal impact to their organization.

In response to a similar proposal, Re-perfected HCS #2 for HB 1886 (2024), officials from the **Clay County Auditor's Office** assumed a cost of \$5,000 per year due to the increase in age for appointing a Guardian ad Litem from 17 to 18.

#### §455.513 – Orders of Protection

In response to similar legislation from the current session (HB 2437), officials from the **Office of the State Courts Administrator** assumed the proposal would 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.

#### §491.641 – Pretrial witness protection programs

Officials from the **Department of Public Safety – Office of the Director (DPS)** stated this legislation will make it easier for entities to spend funding from the Witness Protection Fund. This fund has been stagnate in spending since its creation. It is assumed that approximately \$100,000 - \$150,000 in reimbursements will be requested by law enforcement, county prosecutors and the circuit attorney for FY 2025; between \$125,000 - \$175,000 for FY 2026; and between \$150,000 - \$200,000 for FY 2027.

**Oversight** notes the Pretrial Witness Protection Fund was enacted by HB 66 during the 2020 Special session and became effective September 21, 2020. One million dollars was transferred into the fund and on June 30, 2021, the fund balance was \$1,000,497. During FY 2022, another \$1 million was transferred into the fund, as well as interest income, but only slightly over \$14,400 was disbursed from the fund. The ending fund balance was just under \$2 million. During FY 2023, distributions were approximately \$39,300 and the year-end fund balance was \$2,012,135. The fund balance as of February 29, 2024 was \$2,035,456.

**Oversight** contacted DPS officials to determine how DPS came up with the estimates provided above. Officials said this was a best guess as they have no way to calculate how much might be requested by law enforcement, county prosecutors and the circuit attorney in witness protection costs. Therefore, Oversight will assume an unknown impact to the Pretrial Witness Protection Fund (0868). Based on previous disbursements, Oversight assumes disbursements will be less than \$250,000 annually.

In response to similar legislation from 2024 (SCS for SB 1266), officials from the **Office of the State Courts Administrator** assumed the proposal would 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 this agency.

§§566.151 and 567.030 – Criminal offenses involving a child

Officials from the **Department of Corrections (DOC)** state this section changes the age of the victim from any person who is less than fifteen to seventeen years of age. The increase in the minimum age under which a person can be considered to be enticed as a child could create additional instances in which a person could be charged with a crime under this section. However, there is no available data to determine the number of 16 and 17 year olds to whom this could have potentially applied. Therefore the impact of §566.151 of this proposal is an **unknown cost**.

The bill also changes penalties for the offense of patronizing prostitution under section 567.030. The existing class B misdemeanor could be changed to a class E felony, the existing class E felony could be a class D felony, and the existing class D felony could be a class B felony.

There were eight convictions under section 567.030 in FY 2023 with class B misdemeanor penalties. For each new nonviolent class E felony, the department estimates one person could be sentenced to prison and two to probation. Therefore, DOC estimates that two of the eight additional sentences could be prison sentences and six could be probation sentences. The average sentence for a nonviolent class E felony offense is 3.4 years, of which 2.1 years could be served in prison with 1.4 years to first release. The remaining 1.3 years could be on parole. Probation sentences could be 3 years.

Change in prison admissions and probation openings with legislation-Class E Felony (nonviolent)

	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
<b>New Admissions</b>										
Current Law	0	0	0	0	0	0	0	0	0	0
After Legislation	2	2	2	2	2	2	2	2	2	2
<b>Probation</b>										
Current Law	0	0	0	0	0	0	0	0	0	0
After Legislation	6	6	6	6	6	6	6	6	6	6
<b>Change (After Legislation - Current Law)</b>										
Admissions	2	2	2	2	2	2	2	2	2	2
Probations	6	6	6	6	6	6	6	6	6	6
<b>Cumulative Populations</b>										
Prison	2	4	4	4	4	4	4	4	4	4
Parole			2	3	3	3	3	3	3	3
Probation	6	12	18	18	18	18	18	18	18	18
<b>Impact</b>										
Prison Population	2	4	4	4	4	4	4	4	4	4
Field Population	6	12	20	21	21	21	21	21	21	21
<b>Population Change</b>	<b>8</b>	<b>16</b>	<b>24</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>

There were three new court commitments to prison and five new probation cases under section 567.030 during FY 2023. Of the three new commitments to prison, one was a class D felony and two were class E felonies. Of the five new probation cases, one was a class D felony and four

were class E felonies. The three new prison commitments could be changed to one class B felony and two class D felonies. The five new probation cases could be changed to one class B felony and four class D felonies.

Estimated Impact from Changing D Penalties to B Penalties

Change in prison admissions and probation openings with legislation-Class B Felony

	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
<b>New Admissions</b>										
Current Law	1	1	1	1	1	1	1	1	1	1
After Legislation	1	1	1	1	1	1	1	1	1	1
<b>Probation</b>										
Current Law	1	1	1	1	1	1	1	1	1	1
After Legislation	1	1	1	1	1	1	1	1	1	1
<b>Change (After Legislation - Current Law)</b>										
Admissions										
Probations										
<b>Cumulative Populations</b>										
Prison						1	2	2	2	2
Parole						-1	-1	-1	1	1
Probation				1	2	2	2	2	2	2
<b>Impact</b>										
Prison Population						1	2	2	2	2
Field Population				1	2	1	1	2	3	3
<b>Population Change</b>				<b>1</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>5</b>

Estimated Impact from Changing E Penalties to D Penalties

Change in prison admissions and probation openings with legislation

	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
<b>New Admissions</b>										
Current Law	2	2	2	2	2	2	2	2	2	2
After Legislation	2	2	2	2	2	2	2	2	2	2
<b>Probation</b>										
Current Law	4	4	4	4	4	4	4	4	4	4
After Legislation	4	4	4	4	4	4	4	4	4	4
<b>Change (After Legislation - Current Law)</b>										
Admissions										
Probations										
<b>Cumulative Populations</b>										
Prison				1	1	1	1	1	1	1
Parole				-1	2	2	2	2	2	2
Probation										
<b>Impact</b>										
Prison Population				1	1	1	1	1	1	1
Field Population				-1	2	2	2	2	2	2
<b>Population Change</b>				<b>1</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>

Combined Cumulative Estimated Impact



The combined cumulative estimated impact on the department is 7 additional offenders in prison and 24 additional offenders on field supervision by FY 2031.

**Change in prison admissions and probation openings with legislation**

	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
<b>New Admissions</b>										
Current Law	3	3	3	3	3	3	3	3	3	3
After Legislation	5	5	5	5	5	5	5	5	5	5
<b>Probation</b>										
Current Law	5	5	5	5	5	5	5	5	5	5
After Legislation	11	11	11	11	11	11	11	11	11	11
<b>Change (After Legislation - Current Law)</b>										
Admissions	2	2	2	2	2	2	2	2	2	2
Probations	6	6	6	6	6	6	6	6	6	6
<b>Cumulative Populations</b>										
Prison	2	4	5	5	5	6	7	7	7	7
Parole	0	0	1	3	5	4	4	4	6	6
Probation	6	12	18	19	20	20	20	20	20	20
<b>Impact</b>										
Prison Population	2	4	5	5	5	6	7	7	7	7
Field Population	6	12	19	22	25	24	24	25	26	26
<b>Population Change</b>	<b>8</b>	<b>16</b>	<b>24</b>	<b>27</b>	<b>30</b>	<b>30</b>	<b>31</b>	<b>32</b>	<b>33</b>	<b>33</b>

	# to prison	Cost per year	Total Costs for <b>prison</b>	Change in probation & parole officers	Total cost for <b>probation and parole</b>	# to probation & parole	Grand Total - Prison and Probation (includes 2% inflation)
Year 1	2	(\$9,689)	(\$16,148)	0	\$0	6	(\$16,148)
Year 2	4	(\$9,689)	(\$39,531)	0	\$0	12	(\$39,531)
Year 3	5	(\$9,689)	(\$50,402)	0	\$0	19	(\$50,402)
Year 4	5	(\$9,689)	(\$51,410)	0	\$0	22	(\$51,410)
Year 5	5	(\$9,689)	(\$52,438)	0	\$0	25	(\$52,438)
Year 6	6	(\$9,689)	(\$64,185)	0	\$0	24	(\$64,185)
Year 7	7	(\$9,689)	(\$76,380)	0	\$0	24	(\$76,380)
Year 8	7	(\$9,689)	(\$77,907)	0	\$0	25	(\$77,907)
Year 9	7	(\$9,689)	(\$79,465)	0	\$0	26	(\$79,465)
Year 10	7	(\$9,689)	(\$81,055)	0	\$0	26	(\$81,055)

If this impact statement has changed from statements submitted in previous years, it could be due to an increase/decrease in the number of offenders, a change in the cost per day for institutional offenders, and/or an increase in staff salaries.

If the projected impact of legislation is less than 1,500 offenders added to or subtracted from the department's institutional caseload, the marginal cost of incarceration will be utilized. This cost of incarceration is \$26.545 per day or an annual cost of \$9,689 per offender and includes such

costs as medical, food, and operational E&E. However, if the projected impact of legislation is 1,500 or more offenders added or removed to the department's institutional caseload, the full cost of incarceration will be used, which includes fixed costs. This cost is \$99.90 per day or an annual cost of \$36,464 per offender and includes personal services, all institutional E&E, medical and mental health, fringe, and miscellaneous expenses. None of these costs include construction to increase institutional capacity.

DOC's cost of probation or parole is determined by the number of P&P Officer II positions that are needed to cover its caseload. The DOC average district caseload across the state is 51 offender cases per officer. An increase/decrease of 51 cases would result in a cost/cost avoidance equal to the salary, fringe, and equipment and expenses of one P&P Officer II. Increases/decreases smaller than 51 offender cases are assumed to be absorbable.

In instances where the proposed legislation would only affect a specific caseload, such as sex offenders, the DOC will use the average caseload figure for that specific type of offender to calculate cost increases/decreases.

**Oversight** notes, from information provided by the State Courts Administrator, the following number of felony convictions under §566.151 and §567.030:

	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
§566.151 felonies	15	19	25	22	24
§567.030 felonies	1	0	2	3	10

Oversight notes the felony convictions under §566.151 are a class F felony.

**Oversight** does not have any information contrary to that provided by DOC. Therefore, Oversight will reflect DOC's impact for fiscal note purposes.

In response to a previous version, officials from the **Office of Administration - Budget and Planning (B&P)** stated §566.151 broadens the offense of enticement of a child. If a new crime is created or there is an increase in class of crime, any portion of any associated penalty fees/fines that go to the state may impact TSR. Section 567.030 broadens the offense of patronizing prostitution and increases penalty provisions. If a new crime is created or there is an increase in class of crime, any portion of any associated penalty fees/fines that go to the state may impact TSR.

It is unknown how many violations may occur annually under these statutes or the fines that may be imposed per occurrence. Therefore, this proposal could increase total state revenue by an unknown amount beginning August 28, 2024.

§589.700 – Human trafficking offenses

**Oversight** notes the provisions of this bill state in addition to any fine imposed for a violation of section 566.203, 566.206, 566.209, 566.210, 566.211, or 566.215, the court shall enter a judgment of restitution payable to the Human Trafficking and Sexual Exploitation Fund established under section 589.700, upon a plea of guilty or a finding of guilt for a violation of this section in the following amounts:

- \$10,000 per each identified victim of the offense(s) identified above; and
- \$2,500 for each county in which such offense(s) occurred.

Upon receipt of the moneys from the fund, a county shall allocate the disbursement as follows:

- \$10,000 per each identified victim of the offense(s) that occurred in the county toward local rehabilitation services such as mental health and substance abuse counseling; parenting skills, housing relief, vocational training, and employment counseling; and
- \$2,500 toward local efforts to prevent human trafficking such as education programs and increasing the number of local law enforcement members charged with enforcing human trafficking laws.

Oversight notes OSCA reported the following number of guilty convictions in 2019 – 2023:

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
§566.203	0	0	0	0	0
§566.206	0	0	0	0	0
§566.209	1	0	0	0	1
§566.210	0	0	0	1	0
§566.211	3	1	1	2	3
§566.215	0	0	0	0	0

**Oversight** has no way to determine the number of victims associated with each guilty conviction listed above; therefore, Oversight will assume an (unknown) impact to the new Human Trafficking and Sexual Exploitation Fund. For fiscal note purposes, Oversight assumes services provided by the counties will equal income and net to zero.

In response to a previous version, officials from **B&P** state §589.700 requires that individuals convicted of various offenses make restitution payments to the “Human Trafficking and Sexual Exploitation Fund.” It is unknown how many restitution payments will be ordered annually under these provisions. Therefore, to the extent that restitution payments are deposited into this fund, total state revenue may increase by an unknown amount beginning August 28, 2024.

#### §590.050 – POST Commission

In response to a previous version, **OA, ITSD/DPS** stated this would require a minimal level of modification of the existing Peace Officer Standards and Training Program (POST) system,

adding the new training category and compliance tracking for that category. Assumptions are based on the scope of work not changing. Updates to the POST system would be required.

OA, ITSD/DPS assumes every new IT project/system will be bid out because all ITSD resources are at full capacity. IT contract rates for DPS are estimated at \$105/hour. It is assumed POST modifications will require 86.4 hours for a cost of \$9,072 (86.4 \* \$105) in FY2025 exclusively.

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

In response to a similar proposal from the current session (HCS for HBs 1706 & 1539), officials from the **Office of State Courts Administrator (OSCA)** stated there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

§§27.170, 56.265, 190.142, 210.1505, 211.326, 324.035, 337.618, 491.075, 492.304, 566.151, 567.030, 589.700, and 590.050

In response to a similar proposal from legislation from the current session (HCS for HB Nos. 1706 & 1539), officials from the **Missouri House of Representatives** and the **Office of the State Public Defender** assumed the provisions of this section would 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 these agencies.

#### Responses regarding the proposed legislation as a whole

Officials from the **St. Louis County Police Department** state the proposed legislation would have a fiscal impact. If passed, the Department would be required to update policy and conduct training to inform officers of the changes in law. Policy creation and updating would require 8 hours of policy research and 4 hours of policy authoring. The average hourly wage of the policy development position is \$46.69. The total cost of policy development is \$560.28. The training development would require 8 hours at the same hourly wage of \$46.69. The total cost of training development is \$373.52.

All 820 commissioned officers would be required to attend the two-hour training. The average rate of a police officer is \$53.03. The total cost of attending training is \$86,969. This cost does not include covering shifts for officers at the training, which will likely result in required overtime.

Overall, year 1 would cost \$87,903 while subsequent years would cost \$86,969.20, which over the span of the four year provision outlined in the legislation would equate to \$348,810.60 based on the Department's current staffing numbers.

**Oversight** notes the fiscal impact for the St. Louis County Police Department. Oversight assumes some annual training of officers is conducted regardless of this bill, and this change could be incorporated into that training. Additionally, because this training is provided on a digital platform and since the language is permissive, Oversight assumes the St. Louis County Police Department will be able to absorb the costs associated with this proposal.

Officials from the **Department of Natural Resources**, the **Department of Public Safety - Missouri Highway Patrol**, the **Missouri Department of Agriculture**, the **Missouri Office of Prosecution Services**, the **Branson Police Department** and the **Kansas City 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.

In response to a previous version, the **Department of Economic Development**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, the **Department of Labor and Industrial Relations**, the **Department of Mental Health**, the **Department of Public Safety – Division of Fire Safety**, the **Missouri Department of Conservation**, the **Missouri National Guard**, the **Office of Administration (OA)**, the **OA, Administrative Hearing Commission**, the **Office of the Governor**, the **Office of the State Treasurer**, the **Phelps County Sheriff’s Department**, **Northwest Missouri State University** and the **University Of Central Missouri** 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.

**Oversight** only reflects the responses received from state agencies and political subdivisions; however, other counties, circuit clerks, county clerks, county prosecutors, nursing homes, local law enforcement, ambulance/EMS, hospitals, public administrators, schools, colleges and universities, sheriffs’ departments and police departments 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.

#### 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 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2031)
<b>GENERAL REVENUE</b>				
<u>Savings</u> – DHSS (\$192.2550) Cost avoidance due to PPEC State Plan Amendment p. 20	\$0	\$120,101	\$120,101	\$120,101
<u>Income</u> – DOR (§§136.055, 302.178 & 302.181) Notice of lien fees p. 12	\$1,372,014	\$1,646,415	\$1,646,415	\$1,646,415
<u>Costs</u> - (§27.170) To produce and develop training in a digital platform p. 4	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)	\$0
<u>Costs</u> – (§135.341) Increase to \$2.5 million of the maximum cap p. 4-6	Up to (\$1,000,000)	Up to (\$1,000,000)	\$0	\$0
<u>Costs</u> – (§135.341) extension of the sunset provision with the increased cap to \$2.5 million p. 4-6	\$0	\$0	Up to (\$2,500,000)	Up to (\$2,500,000)
<u>Costs</u> – (§135.341) DOR form and website updates p. 6	(\$8,923)	\$0	\$0	\$0

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2031)
<u>Costs – DOR</u> (§§136.055, 302.178 & 302.181)				
DLB Consulting Fees p. 17	(\$100,000)	\$0	\$0	\$0
LOB Vendor Consulting Costs p.11	(\$50,000 to \$80,000)	\$0	\$0	\$0
MV Vendor Consulting Fee p.11	(\$25,000)	\$0	\$0	\$0
<u>Total Costs - DOR</u>	<u>(\$175,000 to \$205,000))</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Costs – OA- ITSD/DOR</u> (§§136.055, 302.178 & 302.181)				
Services p. 16	(\$61,462)	\$0	\$0	\$0
DL costs p. 13	(\$22,685)	\$0	\$0	\$0
MV costs p. 13	(\$54,025)	\$0	\$0	\$0
<u>Total Costs - OA- ITSD/DOR</u>	<u>(\$138,172)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Costs – DHSS</u> (§192.2554) p. 19				Could exceed
Personnel Service	(\$12,500)	(\$38,250)	(\$39,015)	(\$39,015)
Fringe Benefits	(\$7,348)	(\$22,336)	(\$22,632)	(\$22,632)
Expense & Equipment	(\$2,592)	(\$3,338)	(\$3,405)	(\$3,405)
<u>Total Costs - DHSS</u>	<u>(\$22,440)</u>	<u>(\$63,924)</u>	<u>(\$65,052)</u>	<u>Could exceed (\$65,052)</u>
FTE Change	0.5 FTE	0.5 FTE	0.5 FTE	0.5 FTE
<u>Costs – OA, ITSD/DHSS</u> (§§192.2550 - 192.2560) New website and system development p. 19-20	(\$45,360)	\$0	\$0	\$0

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2031)
<u>Costs – DSS, CD</u> (\$210.560) Administrative costs for Program Implementation p. 25	(Unknown)	(Unknown)	(Unknown)	(Unknown)
<u>Costs– AGO</u> (\$210.1505) p. 22				Could exceed...
Personal Service	(\$41,667)	(\$51,000)	(\$52,020)	(\$52,020)
Fringe Benefits	(\$28,667)	(\$34,788)	(\$35,183)	(\$35,183)
Exp. & Equip.	(\$12,883)	(\$9,841)	(\$10,038)	(\$10,038)
Meeting expenses	(\$14,085)	(\$14,085)	(\$14,085)	(\$14,085)
<u>Total Costs - AGO</u>	<u>(\$97,302)</u>	<u>(\$109,714)</u>	<u>(\$111,326)</u>	<u>(\$111,326)</u>
FTE Change - AGO	1 FTE	1 FTE	1 FTE	1 FTE
<u>Costs – DOC</u> (\$454.1050 – to update offender management system and possible staff needed to process & remit payments p. 29	(Unknown)	(Unknown)	(Unknown)	(Unknown)
<u>Costs – DOC</u> (§§566.151 and 567.030) Increased incarceration costs p. 31-34	Could exceed (\$16,148)	Could exceed (\$39,531)	Could exceed (\$50,402)	Could exceed (\$76,380)
<u>Losses - DSS, CD</u> (\$210.560) Reduction of SSI and OASDI revenues p. 24-25	Up to (\$6,566,982)	Up to (\$6,566,982)	Up to (\$6,566,982)	Up to (\$6,566,982)
<u>Transfer Out –</u> (\$210.1505) To the Anti-Trafficking Fund p. 22-23	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)



<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2031)
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>Up to and could exceed (\$6,698,313 to \$6,728,313)</u></b>	<b><u>Up to and could exceed (\$6,013,635)</u></b>	<b><u>Up to and could exceed (\$7,527,246)</u></b>	<b><u>Up to and could exceed (\$7,553,224)</u></b>
Estimated Net FTE Change on General Revenue	1.5 FTE	1.5 FTE	1.5 FTE	1.5 FTE
<b>HIGHWAY FUND</b>				
<u>Income – DOR</u> (§§136.055, 302.178 & 302.181) Central Office Processing Fee Increase p. 12	\$1,931,076	\$2,311,634	\$2,311,634	\$2,311,634
<b>ESTIMATED NET EFFECT ON THE HIGHWAY FUND</b>	<b><u>\$1,931,076</u></b>	<b><u>\$2,311,634</u></b>	<b><u>\$2,311,634</u></b>	<b><u>\$2,311,634</u></b>
<b>LICENSE OFFICE DISTRIBUTION FUND</b>				
<u>Revenue – (§136.055)</u> Increased fees for driver license transactions p. 8	\$1,246,311	\$1,495,573	\$1,495,573	\$1,495,573
<u>Revenue – (§136.055)</u> increased fees for motor vehicle transactions p. 9	\$7,043,084	\$8,451,701	\$8,451,701	\$8,451,701

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2031)
<u>Transfer Out –</u> (\$136.055) to license contract offices p.9	(\$8,289,395)	(\$9,947,274)	(\$9,947,274)	(\$9,947,274)
<b>ESTIMATED NET EFFECT ON THE LICENSE OFFICE DISTRIBUTION FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>ANTI- TRAFFICKING FUND</b>				
<u>Income –</u> (\$210.1505) Gifts, grants, donations p. 22-23	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Transfer In –</u> (\$210.1505) From General Revenue p. 22-23	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Costs – AGO</u> (\$210.1505) Training and anti-trafficking efforts p. 22-23	(Unknown)	(Unknown)	(Unknown)	(Unknown)
<u>Costs – AGO</u> (\$210.1505) Executive Director position p. 22-23	\$0 or...	\$0 or...	\$0 or...	\$0 or ... Could exceed...
Personal Service	(\$70,833)	(\$86,700)	(\$88,434)	(\$88,434)
Fringe Benefits	(\$39,972)	(\$48,626)	(\$49,298)	(\$49,298)
Exp. & Equip.	(\$12,883)	(\$9,841)	(\$10,038)	(\$10,038)
<u>Total Costs - AGO</u>	<u>(\$123,688)</u>	<u>(\$145,167)</u>	<u>(\$147,770)</u>	<u>(\$147,770)</u>
FTE Change - AGO	1 FTE	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2031)
<b>ESTIMATED NET EFFECT ON THE ANTI- TRAFFICKING FUND*</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
Estimated Net FTE Change on the Anti- Trafficking Fund	1 FTE	1 FTE	1 FTE	1 FTE
*Revenue and disbursements net to zero.				
<b>PRETRIAL WITNESS PROTECTION FUND (0868)</b>				
<u>Costs – DPS</u> (\$491.641) – reimbursement of pretrial witness protection costs p.30- 31	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON THE PRETRIAL WITNESS PROTECTION FUND</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>
<b>HUMAN TRAFFICKING AND SEXUAL EXPOITATION FUND</b>				

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2031)
<u>Revenue –</u> (\$589.700) Restitution revenue p.34-35	Unknown	Unknown	Unknown	Unknown
<u>Transfer Out – To Counties p. 34-35</u>	(Unknown)	(Unknown)	(Unknown)	(Unknown)
<b>ESTIMATED NET EFFECT ON THE HUMAN TRAFFICKING AND SEXUAL EXPOITATION 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 - DHSS</u> (\$192.2554) reimbursement for PPEC license program p. 20	\$22,440	\$63,924	\$65,052	Could exceed \$65,052
<u>Income – OA,</u> ITSD/DHSS (§§192.2550 - 192.2560) New website and system development p. 19-20	\$45,360	\$0	\$0	\$0
<u>Income – DSS, CD</u> (§210.560) Reimbursement for Program Implementation p. 25	Unknown	Unknown	Unknown	Unknown

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2031)
<u>Savings – DHSS</u> (§192.2550) Cost avoidance due to PPEC State Plan Amendment p. 19-20	\$0	\$233,189	\$233,189	\$233,189
<u>Savings - DSS, CD</u> (§210.560) Reduction of SSI and OASDI disbursements p. 24-25	Up to \$2,771,730	Up to \$2,771,730	Up to \$2,771,730	Up to \$2,771,730
<u>Costs - DHSS</u> (§192.2554) p. 19				Could exceed
Personnel Service	(\$12,500)	(\$38,250)	(\$39,015)	(\$39,015)
Fringe Benefits	(\$7,348)	(\$22,336)	(\$22,632)	(\$22,632)
Expense & Equipment	(\$2,592)	(\$3,338)	(\$3,405)	(\$3,405)
<u>Total Costs - DHSS</u>	(\$22,440)	(\$63,924)	(\$65,052)	Could exceed (\$65,052)
FTE Change	0.5 FTE	0.5 FTE	0.5 FTE	0.5 FTE
<u>Costs – OA, ITSD/DHSS</u> (§§192.2550 - 192.2560) New website and system development p. 19-20	(\$45,360)	\$0	\$0	\$0
<u>Costs – DSS, CD</u> (§210.560) Administrative costs for Program Implementation p. 25	(Unknown)	(Unknown)	(Unknown)	(Unknown)

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2031)
<u>Losses – DHSS</u> (\$192.2550) Decrease reimbursement due to PPEC State Plan Amendment p. 20	\$0	(\$233,189)	(\$233,189)	(\$233,189)
<u>Losses - DSS, CD</u> (\$210.560) Reduction of SSI and OASDI revenues p. 25	Up to (\$2,771,730)	Up to (\$2,771,730)	Up to (\$2,771,730)	Up to (\$2,771,730)
<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>
Estimated Net FTE Change on Federal Funds	0.5 FTE	0.5 FTE	0.5 FTE	0.5 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2031)
<b>LOCAL POLITICAL SUBDIVISIONS</b>				
<u>Revenue – Cities</u> (§§136.055, 302.178 & 302.181)				
15% increased fees for driver license transactions p.12	\$4,939	\$5,927	\$5,927	\$5,927
15% increased fees for motor	\$380,288	\$456,346	\$456,346	\$456,346

<u>FISCAL IMPACT</u> <u>- Local</u> <u>Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2031)
vehicle transactions p. 12				
<u>Total Revenue -</u> Cities	<u>\$385,227</u>	<u>\$462,273</u>	<u>\$462,273</u>	<u>\$462,273</u>
<u>Revenue –</u> Counties (§§136.055, 302.178 & 302.181)				
10% increased fees for driver license transactions p. 12	\$3,293	\$3,951	\$3,951	\$3,951
10% increased fees for motor vehicle transactions p. 12	<u>\$253,526</u>	<u>\$304,231</u>	<u>\$304,231</u>	<u>\$304,231</u>
<u>Total Revenue -</u> Counties	<u>\$256,819</u>	<u>\$308,182</u>	<u>\$308,182</u>	<u>\$308,182</u>
<u>Income – County</u> Prosecutors/Law Enforcement (§491.641) – reimbursement of pretrial witness protection costs p.30-31	Unknown	Unknown	Unknown	Unknown
<u>Transfer In –</u> Counties (§589.700) From Human Trafficking and Sexual Exploitation Fund p. 35-36	Unknown	Unknown	Unknown	Unknown

<u>FISCAL IMPACT</u> <u>– Local</u> <u>Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2031)
<u>Costs</u> – Childcare providers (§§210.201, 210.211, 210.252 and 210.275) To become compliant with licensure requirements p. 21-22	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Costs</u> – counties - potential increase in costs for Guardians Ad Litem §455.010	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Costs</u> - (§589.700) Local rehab services, education programs, etc. p. 35-36	(Unknown)	(Unknown)	(Unknown)	(Unknown)
<b>ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT – Small Business

Small license contract offices will be positively impacted while other small businesses that are required to license and title vehicles will pay more as a result of this proposal. Small businesses that register motor vehicles could be impacted by this proposal. Small motor vehicle dealerships could be impacted by this proposal. (§§136.055, 302.178 & 302.181)

There could be a negative impact to small business childcare providers due to possible compliance requirements. (§§210.201, 210.211, 210.252 and 210.275)



## FISCAL DESCRIPTION

This proposal modifies provisions relating to the protection of vulnerable persons.

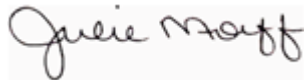
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements. It will require additional rental space.

## SOURCES OF INFORMATION

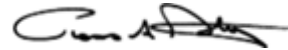
Administrative Hearing Commission  
Attorney General's Office  
Budget and Planning  
Department of Commerce and Insurance  
Department of Corrections  
Department of Economic Development  
Department of Elementary and Secondary Education  
Department of Health and Senior Services  
Department of Higher Education and Workforce Development  
Department of Labor and Industrial Relations  
Department of Natural Resources  
Department of Mental Health  
Department of Public Safety  
    Division of Fire Safety  
    Missouri Highway Patrol  
    Missouri Veterans Commission  
    Office of the Director  
Department of Revenue  
Department of Social Services  
Joint Committee on Administrative Rules  
Missouri Department of Agriculture  
Missouri Department of Conservation  
Missouri Department of Transportation  
Missouri House of Representatives  
Missouri National Guard  
Missouri Office of Prosecution Services  
Missouri Senate  
Office of Administration  
Office of the Governor  
Office of the Secretary of State  
Office of the State Courts Administrator  
Office of the State Public Defender  
Office of the State Treasurer  
Oversight Division  
Phelps County Sheriff's Department

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Branson Police Department  
Kansas City Police Department  
St. Louis County Police Department  
Henry County R-1 School District  
Missouri State University  
Northwest Missouri State University  
University Of Central Missouri



Julie Morff  
Director  
May 8, 2024



Ross Strobe  
Assistant Director  
May 8, 2024