

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3361H.10C
Bill No.: HCS for SS for SCS for SB 912
Subject: Veterans; Military Affairs; Mental Health; State Departments; Taxation and Revenue - Income; Roads and Highways; Disabilities; Motor Vehicles; Education, Higher; Children and Minors
Type: Original
Date: April 25, 2024

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

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2029)
General Revenue*	Could exceed (\$654,289)	Could exceed (\$458,904)	Could exceed (\$463,372)	Could exceed (\$350,009)
Total Estimated Net Effect on General Revenue	Could exceed (\$654,289)	Could exceed (\$458,904)	Could exceed (\$463,372)	Could exceed (\$350,009)

*Oversight notes the totals for the General Revenue Fund does not include any amounts appropriated for Section 620.3305 (Missouri Veterans and Job Opportunity Grant Program). Oversight has listed the appropriation amount for this program as an “Unknown” amount as well as reflected the two (2) FTE estimated by the Department of Economic Development.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2029)
College & University Funds	\$0	\$0	\$0 or Up to (\$2,467,590)	\$0 or Up to (\$2,467,590)
Missouri Veterans Job Opportunity Grant Program Fund*	\$0	\$0	\$0	\$0
State Road Fund	(\$4,000)	\$0	\$0	\$0
Veterans Commission Capital Improvements Trust Fund	Less than (\$73,000)	Less than (\$73,000)	Less than (\$73,000)	\$0
Total Estimated Net Effect on Other State Funds	Less than (\$77,000)	Less than (\$73,000)	Less than (\$2,540,590)	\$0 or Up to (\$2,467,590)

*Income and costs net to zero.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2029)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2029)
General Revenue (DED)	2 FTE	2 FTE	2 FTE	2 FTE
Total Estimated Net Effect on FTE	2 FTE	2 FTE	2 FTE	2 FTE

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2029)
Local Government	\$0	\$0	\$0 to (Unknown)	\$0 to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

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

§42.022 – Missouri Veterans Commission

In response to a similar proposal from 2024 (SCS for SB 734), officials from the **Department of Public Safety - Missouri Veterans Commission (MVC)** stated for the suicide awareness program, the MVC is already appropriated an increase of \$80K per year for salary and \$40K per year for operations of a Veteran Suicide Awareness and prevention coordinator. That is what MVC determined to be the fiscal impact previously, but given that this is already appropriated and currently not being spent, the MVC sees no further fiscal impact. At the present time, the MVC has not filled this position because of cash flow concerns of the funding source (VCCITF Fund 0304). The Commission is concerned that distributions from the fund may be more than appropriations.

Oversight notes per the MVC, in the FY 2024 budget, MVC requested and received an appropriation of \$120,000 (\$80,000 PS; \$40,000 E&E) for a prevention coordinator and the operation of a Veteran Suicide Awareness program. This was a new program within MVC, designed to oversee the statewide policy development, implementation, and operation of Veteran Suicide prevention, awareness, and education. The program includes coordinating with the Department of Veterans Affairs (VA), state agencies and community programs to ensure the stakeholders have access to timely, quality services. The FTE will administer national grants and represent the MVC as a subject matter expert on a national platform to inform program policy. The program will utilize data analysis to develop strategies to decrease Veteran suicide in this state.

Per discussion with MVC officials, it is assumed the funding for the program authorized last year will cover any fiscal impact the provisions of this proposal may have on the MVC. Therefore, Oversight will not reflect an additional fiscal impact from this proposal.

§42.051 – Military Service Question On All State Agency Forms

In response to a similar proposal from 2024 (SCS for SB 734), officials from the **Department of Labor and Industrial Relations (DOLIR)** stated the current statute applies to forms “used to collect data from individuals.” The proposed legislation expands the application of §42.051.1 to forms “used to interact with members of the public.” In FY 2023, LIRC (Labor and Industrial Relations Commission) received 2,431 requests for review (2,288 unemployment, 125 workers’ compensation, 2 Tort Victims’ Compensation Fund).

LIRC also responded to approximately 141 requests for the appellate court’s Form 8-B by providing the form and an LIRC informational cover sheet. Individuals wishing to appeal their unemployment case to the appellate court return the Form 8-B to LIRC for processing.

To the extent the proposed legislation applies to requests for administrative review by LIRC, LIRC’s informational cover sheets, and the recently enacted postsecondary reports and claims, the proposed legislation would require additional clerical work to process and manage responses to at least 2,500 documents each year. Based on 260 workdays in a year, an additional 0.50 clerical FTE will be required to process and manage the additional information required by the proposed legislation.

Clerical

\$88,745 annual salary plus fringe

\$53,287 annual salary (current LIRC clerical salary)

\$35,458 annual fringe (est. from HR Director)

\$3,524.50 space/annual rent (est. from General Services 475 @\$7.42)

\$2,300 equipment (est. from recently purchased equipment for LIRC staff)

\$94,569.50 Total Clerical x 0.50 = \$47,284.75

Total estimated annual cost: \$94,569.50 x 0.50 = \$47,284.75

DWC (Division of Workers’ Compensation):

DWC has approximately 100 Forms that would require updating through DOLIR’s Communications Unit. During DOLIR’s modernization, those Forms will transition to Web Forms in the new WC System, WCCoconnect. Digital forms are included and will be developed. There could be a change request filed by the contractor if unable to include this change in current requirements. 1 FTE required (Program Assistant).

The bill would require that DOLIR include 3 questions regarding military service on "any form, including digital forms posted on an internet website" per §42.051 in the bill. Should the individual answering the questions indicate they desire information regarding veteran's benefits, the DOLIR must provide it to them. If the individual should authorize the DOLIR to do so, it shall also share the individual's contact information with the Missouri Veteran's Commission.

This must be done within 7 business days of receipt in a format the Commission is able to receive. An interface between the Missouri Veteran's Commission and DOLIR would need to be created, resulting in IT costs related to modifying UInteract.

The ITSD cost estimates to create an interface between the Veterans Commission and DOLIR would be **\$109,375**.

Oversight has no information to the contrary. Oversight assumes the DOLIR will not hire 0.5 FTE and that current staff will absorb the additional duties. Oversight will present the one-time ITSD fiscal impact of \$109,375 as provided by DOLIR as costs to General Revenue.

In response to a similar proposal from 2024 (SCS for SB 734), officials from the **Office of Administration (OA)** stated § 42.051. 1. provides that every state agency shall [ensure that] include on any form, including digital forms posted on an internet website, used to [collect data from individuals include] interact with members of the public the following questions in substantially similar form: (1) Have you ever served on active duty in the Armed Forces of the United States and separated from such service under conditions other than dishonorable? (2) If answering question (1) in the affirmative, would you like to receive information and assistance regarding [the agency's] veteran benefits and services? 3 2. Every state agency shall provide the contact information of those individuals who answer question (3) in subsection 1 of this section in the affirmative to the commission within seven business days of receipt and shall provide the contact information in a format readily accessible by the commission. 3. Every state agency shall prepare information regarding the agency's applicable services and benefits that are available to veterans and provide such information to those individuals who answer [the] questions (1) and (2) provided in subsection 1 of this section in the affirmative and to the commission. Such information shall be available in a format readily accessible and identifiable to members of the public and to the commission. 4. On January first of every year, the commission shall post a report on the commission's website that includes: (1) The total number of individuals whose contact information has been submitted to the commission from each state agency pursuant to subsection 2 of this section; and (2) The total number of individuals contacted by the commission as a result of the submission of contact information by a state agency. [3.] 5. The provisions of subsection 1 of this section shall only apply to any form first created on or after August 28, [2021] 2024, or any form created before August (3) If answering question (2) in the affirmative, may the agency share your contact information with the Missouri Veterans Commission in order to provide you with information regarding available veterans benefits and services? General information may also be found on the Missouri Veterans Commission's website. 4 28, [2021] 2024, and subsequently modified on or after August 28, [2021] 2024.

For the Division of Personnel (DP) to comply with the proposed legislation, the DP would need to update all forms, including digital, to include the revisions as requested. The DP would also need to make updates to the MoCareers, the State's centralized application platform, to include the revisions. The Division of Personnel would also have to add additional staff time to comply with providing the requested information within the time frame listed.

DP staff would need 5 hours to complete the updates, and an additional 6.5 hours yearly to complete the report for the requested information.

The fiscal impact of this bill is determined by the total number of hours estimated (11.5 hours) multiplied by the average salary of Division of Personnel team members (\$34.16). Therefore, the total fiscal impact would be \$393.

The General Services Division (GS) state §42.051.1 of the legislation requires all public interacting forms to be updated with Veterans questions. This change would require changes to LEF (Legal Expense Fund) forms to be completed by OA-GS. General Services assumes that these changes would take approximately 10 hours of OA/GS staff time.

The average hourly rate for General Services' employees likely to devote time to these changes is \$22.95 per hour based on an average of \$47,728 annually. Therefore, this would result in an estimated cost of \$230.

Oversight has no information to the contrary. Oversight assumes the OA will be able to absorb the minimal fiscal impact of this proposal ($\$393 + \$230 = \$623$) with existing resources and will present no fiscal impact for this proposal OA.

§42.312 – Operation Enduring Freedom, Operation Freedom's Sentinel and Operation Allies Refuge Program

In response to a similar proposal from 2024 (SCS for SB 734), officials from the **Missouri National Guard (MONG)** estimated there are 73,000 veterans eligible to receive this award. The bill will have an approximate \$1,000 - \$1,095,000 fiscal impact to the Veterans Recognition program, which is funded by the Veterans Commission Capital Improvement Trust Fund (0304). The wide range of estimated fiscal impact is due to the uncertainty of how many veterans will apply and be approved for the award. The estimated cost per award (medal, medallion, and certificate), including postage, is \$15. The total estimated cost would be an accumulated cost, spanning future fiscal years over the life of the program.

There are several other programs currently in place to recognize veterans of previous conflicts. A summary of program activity is contained in the table below:

Conflict	Year Program Began	Number of Awards Issued to Date
WWII	2000	47,115
Korea	2003	18,635
Vietnam	2006	32,275
Operation Desert Storm/Shield & Operation Iraqi Freedom/New Dawn	2019	1,779

Oversight contacted the MNG to inquire how many personnel deployed to Operation Enduring Freedom, Operation Freedom’s Sentinel, and Operation Allies Refuge Program. However, Oversight did not receive that information. Therefore, using MNG’s estimate of 73,000 current Missouri veterans, Oversight will assume approximately 40 percent of those served during this timeframe (10/7/2001 – 8/30/2021). Oversight also assumes approximately half or 14,600 (73,000 * 0.40 * 50%) service members and registered veterans will apply for the medal. 14,600 x \$15 = \$219,000

Based on the implementation of other similar programs, Oversight will reflect this cost spread over three years ($\$219,000 / 3 = \$73,000$) of the fiscal note to the Veterans Commission Capital Improvement Trust Fund. Oversight notes the ending balance in the Veterans Commission Capital Improvement Trust Fund (0304) as of February 27, 2024, is \$25,909,949.

§115.085 – Election Judges

In response to a similar proposal from 2024 (SB 1415), officials from the **Office of the Secretary of State** and the **St. Louis County Board of Elections** each assumed the proposal would have no fiscal impact on their respective organizations.

Officials from the **Platte County Board of Elections** and the **St. Louis City Board of Elections** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

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

Oversight only reflects the responses received from state agencies and political subdivisions; however, other local election authorities and county clerks 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.

§§143.174 & 143.175 – Income Tax Deduction for Members of the Armed Forces

In response to a similar proposal from 2024 (SCS for SB 734), officials from the **Department of Revenue (DOR)** noted members of the military can deduct 100% of the income they receive as salary or compensation if that income is taxable at the federal level from the calculation of their Missouri adjusted gross income. This is the military income deduction. Additionally, they can receive the deduction for income received from certain training programs. This proposal is adding to this Missouri military income deduction income they receive from signing bonuses.

The Department found that the military does issue signing bonuses to soldiers based on their branch of service, length of enlistment and specific job specialties. The more specialized the job, the more likely to be issued a signing bonus. The DOR also found that signing bonuses are often paid out over a number of years rather than a single lump sum.

The federal government designates certain military pay and benefits as taxable. Information found by the Department indicates that all income received by members of the military serving in a combat zone is tax free at the federal level, which includes their signing bonuses. Additionally, depending on their rank a portion of non-combat pay may be tax exempt.

The Department notes that while Missouri is home to Whiteman Air Force Base, Fort Leonard Wood, and Fort Crowder, DOR is unable to determine how many of the soldiers stationed there are eligible for signing bonuses. DOR is also not able to determine how many of them actually file returns as a Missouri resident.

The Department is unable to locate any single source that can show how much is paid to soldiers filing Missouri individual income tax returns and the amount of signing bonuses they receive that would be taxable. DOR assumes that should a soldier filing a Missouri return receive a taxable signing bonus, they would qualify for this deduction and that income would be excluded from tax per this proposal. DOR notes this proposal could result in an unknown loss to general revenue but assumes it would be minimal.

In response to a similar proposal from 2024 (SCS for SB 734), officials from the **Office of Administration (OA) - Budget and Planning (B&P)** stated §§173.174 and 173.175 clarifies that military signing/reenlistment bonuses are to be included within the definition of "compensation" for both active duty, reserve, and National Guard income tax exemptions. Based on information from the Department of Revenue, such bonuses should already be included under the existing income tax deductions.

If this proposal extends the deductions to additional bonuses not already excluded, this proposal could result in an unknown, likely minimal loss to TSR and GR.

Oversight has no information to the contrary. For fiscal note purposes, Oversight will present an unknown loss to General Revenue for potential additional military signing bonus income tax deductions. Based on B&P and DOR responses, Oversight assumes the fiscal impact will be less than \$250,000 annually.

§173.239 – Tuition Waiver for Eligible Missouri National Guard Members

In response to a similar proposal from 2024 (SB 1322), officials from the **University of Missouri System (UM or University)** stated the University has determined that 120 credit hours tuition cost \$51,472 in academic year 2024. This fiscal impact would be this amount multiplied by the number of students who were eligible to receive this waiver, which the University cannot estimate at this time.

Oversight notes the University of Missouri’s response indicates an average cost per credit hour of \$429 ($\$51,472 / 120$ hours) for academic year 2024.

In response to a similar proposal from 2024 (SB 1322), officials from **Northwest Missouri State University (Northwest)** stated the fiscal impact of this proposal will be contingent on the number of individuals who would qualify and enroll at Northwest. For estimation purposes, it is assumed there would be an estimated cost of \$32,000 annually per individual to an estimated \$160,000 per individual per degree. The exact cost is unknown.

In response to a similar proposal from 2024 (SB 1322), officials from the **University of Central Missouri (UCM)** stated this proposal would have an unknown fiscal impact. Possible positive fiscal impact could result from students accepting the assistance and attending UCM. Possible negative fiscal impact depending on the definition of the fees applied.

Oversight obtained information from the Missouri National Guard (MONG). The MONG stated there are currently 10,638 active MONG members and that during FY 2023, 991 members utilized the state tuition assistance program. In addition, the MONG reimburses members up to \$346 per undergraduate credit hour completed. The proposal will have no fiscal impact on the MONG as it would continue to provide tuition assistance up to their maximum amount.

Oversight assumes this proposal could negatively impact UM and other qualifying colleges and universities by up to \$83 ($\$429 - \346) per credit hour or \$9,960 per undergraduate degree. If all 991 MONG members received a waiver of fees above those reimbursed by the MONG, the fees lost could total up to \$9,870,360. It is further assumed that 120 credit hours will take the average student 4 years to complete. Therefore, Oversight assumes College and University Funds could lose fees up to \$2,467,590 per year ($\$9,870,360 / 4$ years) starting in FY 2026 and be fully implemented in FY 2029. Oversight notes the language in the substitute proposal indicates that the tuition and fee waiver shall be only for tuition and fees that remain after all other forms of tuition assistance from the National Guard, Army, or Air Force; additional federal military tuition assistance; GI Bill educational entitlements, awarded external scholarships; and federal financial grants, including the Pell grant.

In addition, the tuition and fee waiver shall not be available in any fiscal year in which the total program costs covered by state appropriations has decreased compared to the previous fiscal year. Therefore, Oversight will reflect a \$0 fiscal impact (tuition and fee waiver program not funded) to a maximum amount of \$2,467,590 per fiscal year (approximate maximum amount to be reimbursed).

Community colleges would also be impacted by this proposal. However, since no community colleges responded to Oversight's fiscal note request, Oversight will reflect a \$0 fiscal impact (tuition and fee waiver program not funded) to an "Unknown" loss of fees to Local Governments – Community Colleges.

In response to a similar proposal from 2024 (SB 1322), officials from the **Department of Higher Education and Workforce Development** and the **Missouri National Guard** 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.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other colleges and universities were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

§227.854 - POW/MIA SSG Paul Hasenbeck Memorial Highway

In response to a similar proposal from 2024 (HB 1908), officials from the **Missouri Department of Transportation (MoDOT)** stated HB 1908 is estimated to have a total negative impact on the State Road Fund of \$4,000. This would be a one-time expense as the language requires MoDOT to fund this designation with no costs for sign fabrication and installation recouped through the participation fee. The estimated cost is \$2,000 per sign, with 2 total signs for this designation.

Oversight has no information to the contrary. Therefore, Oversight will present the fiscal impact of this proposal as provided by MoDOT.

§§301.142, 301.3030 & 301.3180 – Disabled Persons/Military License Plates

In response to a previous version, officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

Administrative Impact

In order to implement the proposed changes, the Department will be required to:

- Update procedures, manuals, Department website, and correspondence letters;

- Design/Create specialty plate;
- Programming and user acceptance testing;
- Updates to forms; and
- Train staff.

There is a \$125 design fee and an additional \$45 fee when creating a new plate design.

FY 2025 – Motor Vehicle Bureau

Associate Research/Data Analyst 281 hrs. @ \$25.22/hr. = \$7,087

Research/Data Analyst 70 hrs. @ \$27.00/hr. = \$1,890

Administrative Manager 35 hrs. @ \$29.31/hr. = \$1,026

FY 2026 – MVB Systems Analysis Support

Associate Research/Data Analyst 281 hrs. @ \$21.64/hr. = \$6,081

Research/Data Analyst 70 hrs. @ \$27.00/hr. = \$1,890

Administrative Manager 35 hrs. @ \$29.31/hr. = \$1,026

FY 2026 – Strategy and Communications Office

Associate Research/Data Analyst 70 hrs. @ \$21.64/hr. = \$1,515

Administrative Manager 20 hrs. @ \$29.31/hr. = \$586

Total Cost = \$21,101

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 notes, in equalizing the workload, DOR will start to see a cost savings of **\$115,941** beginning in the fifth year from disabled placards being renewed every 8 years instead of 4. The cost savings will be in inventory and postage at \$1.23 per placard.

Oversight does not have information to the contrary and therefore, will reflect the cost savings indicated by DOR starting in FY 2029.

DOR notes OA-ITSD services will be required at a cost of **\$78,497** in FY 2025 (747.59 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.

Fusion Impact

DOR also noted costs for an implementation consultant \$250/hour x 100 hours = **\$25,000**

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.

Oversight does not have information to the contrary and therefore, Oversight will reflect the implementation consultant costs as provided by DOR.

Revenue Impact – Section 301.3030

DOR notes the following:

FY 2022	1,648 military plates were reserved that had a fee of \$15 per reservation. Loss of \$24,720
FY 2023	1,805 military plates were reserved that had a fee of \$15 per reservation. Loss of \$27,075

On average 1,726 plates of the type are reserved that is an estimated **\$25,890** loss each year. This is just for the initial application for the last two fiscal years.

Currently there are 11,972 plates involving military actions or personnel that are registered. The customer pays \$15 a year for personalization fees.

Of those 2,210 are currently registered for one year, which is a **\$33,150** loss to the department.

9,762 are currently registered for two years, which is a **\$292,860** loss to the department.

Total loss is estimated to be **\$351,900**

DOR notes, with their current system, they are unable to determine if someone has more than one set of special plates; however, they estimate that this occurrence would be minimal.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as “Up to...” the amounts provided by DOR.

Oversight will reflect the \$292,860 loss from military plates that are registered for two years as **half** that amount (\$146,430) per year as if they were registered for one year for a more accurate estimate. Therefore, the total loss to DOR will be “Up to \$205,470” (\$25,890 + \$33,150 + \$292,860/2) per year.

In response to a previous version, officials from the **Missouri National Guard** and **Missouri Veterans Commission** 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.

§§301.3061 – Missouri Disabled American Veterans License Plates

In response to a previous version, officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

Administrative Impact

It is assumed that by removing the layout restrictions that the Disabled Veterans organization will redesign the plate.

The release of the new plate will start with the sale of the new plate to new customers and allow current Disabled Vets the ability to surrender old configuration for the new one.

To implement the proposed changes, the DOR will be required to:

- Update procedures, correspondence letters, forms, and the Department website;
- Update the Missouri Titling manual;
- Send communications to stakeholders as applicable; and
- Train Staff.

FY 2025 – Motor Vehicle Bureau

Lead Administrative Support Assistant 10 hrs. @ 18.54 per hr. = \$185

Research/Data Assistant 60 hrs. @ \$27.00 per hr. = \$1,620

Administrative Manager 20 hrs. @ \$29.31 per hr. = \$586

FY 2025 – Strategy and Communications Office

Associate Research/Data Analyst 30 hrs. @ \$21.64 per hr. = \$649

Total Costs = **\$3,040**

The DOR anticipates that it will be able to absorb these costs. If multiple bills are passed that require Department resources, FTE may be requested through the appropriations process.

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

§302.188 – Required Documents for Veteran Designation on Licenses

Oversight assumes this section will have a minimal impact on the Department of Revenue; therefore, Oversight will not reflect a fiscal impact from this section.

§§452.1200 – 452.1258 – Uniform Deployed Parents Custody and Visitation Act

In response to a similar proposal from 2024 (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 similar proposal from 2024 (HB 1494), officials from the **Department of Public Safety’s Missouri Veterans Commission**, the **Department of Social Services** and the **Missouri National Guard** 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.

§620.3305 – Missouri Veterans Job Opportunity Grant Program

Officials from the **Department of Economic Development (DED)** assume the following regarding this proposal:

DED shall establish and administer the "Missouri Veterans and Job Opportunity Grant Program".

The fund shall consist of any appropriations to the fund and any gifts, contributions, grants, or bequests received from private or other sources.

DED shall determine the grant percentage annually, which shall be contingent on the available funds in the fund.

At least 50% of the funds available during the FY shall be reserved for eligible employers paying wages to a veteran. Any amount of the reserved funds that is not claimed may be disbursed for wages paid to a member of any other targeted group.

The grant funds are subject to appropriation. DED is recommending **2 FTE** to administer the program.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates for 2 FTE as provided by DED.

Oversight is unable to determine the amount of the grants to the employers; therefore, Oversight will reflect a fiscal impact of \$0 (program does not receive appropriations) to a fiscal impact of “Unknown” to DED for the disbursement of grants to employers. Oversight will also reflect a “\$0 or Unknown” loss to General Revenue as it is assumed the potential appropriations will be transferred from the General Revenue Fund.

Bill as a Whole

Officials from the **Department of Commerce and Insurance (DCI)** state the department believes the costs of this bill can be absorbed within its current appropriations. However, should the cost be more than anticipated, the DCI would request an increase to its FTE and/or appropriations as appropriate through the budget process.

Oversight has no information to the contrary. Therefore, Oversight will present no fiscal impact for this proposal as provided by the DCI.

In response to a similar proposal from 2024 (SCS for SB 734), officials from the **Department of Corrections (DOC)** deferred to the Office of Administration for response relating to the fiscal impact of this proposal on their organization for \$42.051; all other sections have no fiscal impact on the DOC.

In response to a similar proposal from 2024 (SCS for SB 734), officials from the **Office of Administration - Administrative Hearing Commission, the Department of Economic Development, the Department of Elementary and Secondary Education, the Department of Higher Education and Workforce Development, the Department of Health and Senior Services, the Department of Mental Health, the Department of Natural Resources, the Department of Public Safety, Divisions of: Alcohol and Tobacco Control, Capitol Police, Fire Safety, Director's Office, Missouri Gaming Commission, Missouri Highway Patrol and the State Emergency Management Agency, the Department of Social Services, the Office of the Governor, the Missouri Ethics Commission, the Missouri Department of Transportation, the MODOT & Patrol Employees' Retirement System, the Office of the State Public Defender, the Office of the State Treasurer, the Office of the Lieutenant Governor, the Office of the State Auditor, the Missouri Lottery Commission, the Missouri Consolidated Health Care Plan, the Missouri Higher Education Loan Authority, the Missouri Office of Prosecution Services, the Missouri State Employee's Retirement System and the State Tax Commission** 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.

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 2029)
GENERAL REVENUE FUND				
<u>Revenue Reduction</u> - Military Signing Bonus Income Tax Deduction (§§143.174 & 143.175) p. 9-10	(Unknown)	(Unknown)	(Unknown)	(Unknown)
<u>Cost</u> – Others State Agencies – to update forms for (§42.051) p. 5-6	\$0 or (Unknown)	\$0	\$0	\$0
<u>Cost</u> – DOLIR – ITSD costs for interface with MVC (§42.051) p. 6	(\$109,375)	\$0	\$0	\$0
<u>Cost</u> – DOR – OA-ITSD services (§§301.142, 301.3030 & 301.3180) p. 12	(\$78,497)	\$0	\$0	\$0
<u>Cost</u> – DOR – implementation consultant for system changes (§§301.142, 301.3030 & 301.3180) p. 12	(\$25,000)	\$0	\$0	\$0
<u>Savings</u> – DOR – decrease in mailing cost (§§301.142, 301.3030 & 301.3180) p. 12	\$0	\$0	\$0	\$115,941

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2029)
<u>Loss – special license plate fees for military registrations (§§301.142, 301.3030 & 301.3180) p. 13</u>	Up to (\$205,470)	Up to (\$205,470)	Up to (\$205,470)	Up to (\$205,470)
<u>Transfer Out – DED – appropriations for the Missouri Veterans Job Opportunity Grant Program (§620.3305) p. 15</u>	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Cost – DED (§620.3305) p. 15</u>				
Personnel	(\$124,440)	(\$152,315)	(\$155,361)	(\$156,914)
Fringe Benefits	(\$73,265)	(\$89,075)	(\$90,256)	(\$91,158)
Expense and Equipment	(\$38,242)	(\$12,044)	(\$12,285)	(\$12,408)
<u>Total Costs - DED</u>	<u>(\$235,947)</u>	<u>(\$253,434)</u>	<u>(\$257,902)</u>	<u>(\$260,480)</u>
FTE Change – DED	2 FTE	2 FTE	2 FTE	2 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	Could exceed (\$654,289)	Could exceed (\$458,904)	Could exceed (\$463,372)	Could exceed (\$350,009)
Estimated Net FTE Change to the General Revenue Fund	2 FTE	2 FTE	2 FTE	2 FTE
VETERANS COMMISSION CAPITAL IMPROVEMENTS TRUST FUND (0304)				
<u>Cost – MONG - New medallion program (§43.212) p. 7-8</u>	Less than (\$73,000)	Less than (\$73,000)	Less than (\$73,000)	<u>\$0</u>
ESTIMATED NET EFFECT ON THE VETERANS COMMISSION CAPITAL IMPROVEMENTS TRUST FUND	Less than (\$73,000)	Less than (\$73,000)	Less than (\$73,000)	<u>\$0</u>

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2029)
STATE ROAD FUND				
<u>Cost - MoDOT - Memorial Road Sign</u> (§227.854) p. 11	<u>(\$4,000)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON THE STATE ROAD FUND	<u>(\$4,000)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
MISSOURI VETERANS JOB OPPORTUNITY GRANT PROGRAM FUND				
<u>Transfer In – DED – appropriations for the Missouri Veterans Job Opportunity Grant Program</u> (§620.3305) p. 15	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Cost – DED – disbursement of grants to eligible employers for the Missouri Veterans Job Opportunity Grant Program</u> (§620.3305) p. 15	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>
ESTIMATED NET EFFECT ON THE MISSOURI VETERANS JOB OPPORTUNITY GRANT PROGRAM FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2029)
COLLEGE AND UNIVERSITY FUNDS				
<u>Loss –Colleges and Universities – Reduction in fees collected due to tuition and waiver of fees for undergraduate MONG members (§173.239) p. 10-11</u>	\$0	\$0	\$0 or Up to (\$2,467,590)	\$0 or Up to (\$2,467,590)
ESTIMATED NET EFFECT ON COLLEGE AND UNIVERSITY FUNDS	\$0	\$0	\$0 or Up to (\$2,467,590)	\$0 or Up to (\$2,467,590)

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2029)
LOCAL POLITICAL SUBDIVISIONS				
<u>Loss –Community Colleges – Reduction in fees collected due to tuition and waiver of fees for undergraduate MONG members (§173.239) p. 10-11</u>	\$0	\$0	\$0 to (Unknown)	\$0 to (Unknown)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	\$0	\$0	\$0 to (Unknown)	\$0 to (Unknown)

FISCAL IMPACT – Small Business

Small businesses that are eligible employers for the new Missouri Veterans Job Opportunity Grant Program could be impacted as a result of this proposal.

FISCAL DESCRIPTION

This proposal modifies provisions relating to veterans.

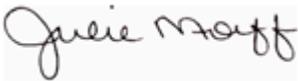
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

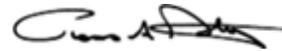
Office of Administration
Department of Commerce and Insurance
Department of Economic Development
Department of Elementary and Secondary Education
Department of Higher Education and Workforce Development
Department of Health and Senior Services
Department of Mental Health
Department of Natural Resources
Department of Corrections
Department of Labor and Industrial Relations
Department of Revenue
Department of Public Safety
Department of Social Services
Missouri Veterans Commission
Office of the Governor
Missouri Department of Agriculture
Missouri Department of Conservation
Missouri Ethics Commission
Missouri Department of Transportation
Missouri National Guard
MODOT & Patrol Employees' Retirement System
Office of the Secretary of State
Office of the State Public Defender
Office of the State Treasurer
Office of the Lieutenant Governor
Office of the State Auditor
Joint Committee on Administrative Rules
Missouri Lottery Commission
Missouri Consolidated Health Care Plan

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Missouri Higher Education Loan Authority
Missouri Office of Prosecution Services
Missouri State Employee's Retirement System
State Tax Commission
Platte County Board of Elections
St. Louis City Board of Elections
St. Louis County Board of Elections



Julie Morff
Director
April 25, 2024



Ross Strope
Assistant Director
April 25, 2024