

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2126S.01I
Bill No.: SB 566
Subject: Business and Commerce; Department of Economic Development; Veterans
Type: Original
Date: March 25, 2025

Bill Summary: This proposal modifies provisions relating to certain veteran-owned small businesses.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on FTE	0	0	0

- ☐ 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 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§620.3250 - Boots to Business Program

Officials from the **Office of Administration – Budget & Planning**, the **Department of Economic Development**, the **Department of Higher Education and Workforce Development**, the **Department of Revenue**, the **Department of Public Safety – Director’s Office**, the **Department of Public Safety – Veterans Commission**, and the **Office of the State Treasurer** each assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

For informational purposes, **Oversight** has provided the number of linked deposits approved to veteran-owned businesses according to the Office of the State Treasurer website ([Linked Deposit Annual Reports](#)) for the MO BUCKS program.

Program Year	Participants / Veterans	Total Amount	Average Loan amount per participant
2024	15	\$8,347,901	\$556,527
2023	27	\$12,561,025	\$465,223
2022	5	\$5,595,779	\$1,119,155
2021	5	\$1,729,603	\$345,921

Oversight notes current law requires any veteran who receives a small business loan through the State Treasurer's linked deposit program to complete a boots-to-business program approved by the Department of Economic Development. This proposal makes participation in such program optional. Oversight notes that the Small Business Administration (SBA) offers the Boots to Business program at no cost for all veterans who provide a valid Department of Defense I.D. Therefore, Oversight will reflect a zero impact in the fiscal note.

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 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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 – Budget & Planning
Department of Economic Development
Department of Higher Education and Workforce Development
Department of Revenue
Department of Public Safety – Director’s Office
Department of Public Safety – Veterans Commission
Office of the State Treasurer
Office of the Secretary of State
Joint Committee on Administrative Rules



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March 25, 2025



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March 25, 2025