

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4449S.01I  
Bill No.: SB 886  
Subject: Crimes and Punishment; Elementary and Secondary Education; Firearms;  
Department of Public Safety; Tax Credits; Teachers  
Type: Original  
Date: January 26, 2026

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Bill Summary: This proposal creates the "Keep Our Schools Safe Act" regarding school safety.

**FISCAL SUMMARY**

**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue*	Up to (\$807,357)	Up to (\$821,070)	Up to (\$823,473)
<b>Total Estimated Net Effect on General Revenue</b>	<b>Up to (\$807,357)</b>	<b>Up to (\$821,070)</b>	<b>Up to (\$823,473)</b>

\*Oversight notes the above fiscal impact represents the maximum cap of \$500,000 and up to one 1 FTE for the Department of Revenue and 1 FTE for the DPS beginning FY 2027.

**ESTIMATED NET EFFECT ON OTHER STATE FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

**ESTIMATED NET EFFECT ON FEDERAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	2 FTE	2 FTE	2 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>2 FTE</b>	<b>2 FTE</b>	<b>2 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.

**ESTIMATED NET EFFECT ON LOCAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Local Government</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

\*Oversight assume School districts would need to train or hire additional staff to meet the requirements of the proposal.

## **FISCAL ANALYSIS**

### **ASSUMPTION**

#### **§135.1300 Firearm Course Tax Credit**

Officials from **Department of Revenue (DOR)** assume this proposal starting January 1, 2026 (FY) will grant a taxpayer a tax credit equal to 100% of the purchase price of a qualified firearm training course. The taxpayer is limited to no more than \$150 in tax credits.

This credit has a cap of \$500,000 annually. These credits is not refundable, has a five year carry forward and they can be transferred, sold or assigned.

This proposal states that the Department of Public Safety is to provide a list of the qualified courses that would qualify for this tax credit. However, this proposal does not state which agency is to issue the tax credits. DPS would best be suited to review the courses and determine the credit amount. Verifying the course would be outside the normal course of business for DOR. If this bill would require DOR to handle the tax credit, they will need additional FTE to verify the qualification of the credits.

DOR's existing tax credit staff is no longer able to take on any additional tax credits without additional resources. Due to the intensive knowledge of credits that is needed they are not able to use temporary staff to help with processing these returns. Given the number of participants expected in this program they will need one Auditor for (\$83,530 salary plus years of service pay) for the verification process. Additionally, DOR will need one Associate Customer Service Representative (\$42,953 salary plus years of service pay) for every 3,000 returns to handle redemption of the credit.

This proposal is creating a new tax credit which would need to be added to thier MO-TC form, MO-1040 form, (\$2,200 each form) website and updates to various individual income tax computer system (\$7,547). These changes are estimated at \$11,947. In order to provide proof of dependent status DOR would need to create a new form which is estimated at \$10,000.

Since this tax credit is being backdated to January 1, 2026, they would expect the first returns claiming the credit to be filed on January 1, 2027 (FY 2027). This will result in loss revenue to the state.

Fiscal Year	Loss of General Revenue
2027	(\$500,000)
2028	(\$500,000)
2029+	(\$500,000)

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect an impact in the fiscal note as estimated by DOR for their agency.

Officials from the **Office of Administration - Budget & Planning** assume beginning with tax year 2026, this proposal would create a tax credit equal to 100% of costs incurred for purchasing a firearm and/or 100% of the costs incurred for taking an eligible firearm safety course.

A taxpayer may not receive more than \$150 in tax credits under this provision. B&P notes that it is unclear whether the \$150 limit is per tax year or over the life of a taxpayer.

The tax credits are non-refundable but may be carried forward for up to five tax years. In addition, the tax credits may be transferred, sold, or otherwise assigned. No more than \$500,000 in tax credits may be authorized each tax year. This program shall sunset August 28, 2032.

B&P notes that this proposal would become effective August 28, 2026, but the tax credit is for costs incurred during all of 2026. It is unclear whether costs incurred before August 28, 2026, would still qualify for this credit.

Therefore, B&P estimates that this proposal could reduce TSR and GR by up to \$500,000 annually beginning FY27 (when tax year 2026 returns are filed).

Officials from **Department of Public Safety – Directors Office** note §135.1300 RSMo. section 2 : beginning on or after January 1, 2026, a taxpayer shall be authorized to claim a tax credit against the taxpayer's state tax liability in an amount equal to one hundred percent of any costs incurred for the purchase of a firearm or costs incurred for the purchase of an eligible course from an eligible entity, provided that no taxpayer may claim a tax credit in excess of one hundred fifty dollars. Section 4: DPS shall establish criteria defining an eligible course and shall post such criteria and a list of eligible courses on the department of public safety's website. The department of public safety shall additionally submit such criteria and list to the department of revenue.

**Oversight** notes the Directors Office requested one additional FTE. Oversight assumes this position would be to meet the needs of §135.1300.4 of establishing criteria.

#### Sections 160.665 & 590.207 School Resource Officers

Officials from the **Department of Revenue** assume this section will have no fiscal impact on their organization.

**Oversight** notes this proposal requires all school districts to have at least one school protection officer to be present on all school campuses used for educational purposes. However, the school district may utilize a teacher, administrator or volunteer. All protection officers must be trained as required pursuant to provisions of §§590.200 – 590.207.

Oversight notes many schools in Missouri already have school protection officers in conjunction with local police authorities. Schools may use existing teachers, administrators or volunteers, after completing training, as their protection officers. However, it is unclear how many schools would make use of teachers, administrators or volunteers. Oversight notes it is voluntary for teachers and administrators to become protection officers. Oversight cannot determine what

route each school would take in order to acquire a school protection officer. Therefore, oversight will assume a zero (school already has protection officer) to Unknown cost for school districts to train existing staff or hire additional staff.

Oversight notes §160.665.13 require all students in prekindergarten grades through grade eight to participate in a mandatory annual Eddie Eagle Gunsafe training course on firearm safety provided by the National Rifle Association. Oversight notes based on information found on the National Rifle Association's website have materials and instructions for such training already available for prekindergarten through grade 4. Oversight notes training would take about one hour each year based on assumptions found in the Parent/Instructor guides. Oversight notes if the National Rifle Association does not provide training for grades five through eight schools would either need to recycle material from previous training. Oversight assumes providing this training would cause no fiscal impact to school districts.

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

Officials from the **Department of Elementary and Secondary Education** and **Missouri Highway Patrol** 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 this agency.

The **Oversight Division** is responsible for providing a Sunset Report pursuant to Section 23.253 RSMo; however, Oversight can absorb the cost with the current budget authority.

**Oversight** only reflects the responses that we have received from state agencies and political subdivisions; however, other school districts were requested to respond to this proposed legislation but did not. Upon the receipt of additional 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. A general listing of political subdivisions included in thier 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 2027 (10 Mo.)	FY 2028	FY 2029
<b>GENERAL REVENUE</b>			
<u>Cost – (§135.463) Contributions to firearms and training tax credit p.3-4</u>	Up to (\$500,000)	Up to (\$500,000)	Up to (\$500,000)
<u>Cost – DOR (§135.463) p.3</u>			
Personal Service	(\$105,403)	(\$129,013)	(\$131,593)
Fringe Benefits	(\$69,620)	(\$84,561)	(\$85,599)
Expense & Equipment	(\$46,505)	(\$1,177)	(\$1,201)
<u>Total Costs – DOR</u>	<u>(\$221,528)</u>	<u>(\$214,751)</u>	<u>(\$218,393)</u>
FTE Change - DOR	1 FTE	1 FTE	1 FTE
<u>Cost – DPS-DO (§135.463) p.4</u>			
Personal Service	(\$44,429)	(\$54,381)	(\$54,469)
Fringe Benefits	(\$31,483)	(\$38,208)	(\$38,646)
Expense & Equipment	(\$9,917)	(\$13,730)	(\$11,965)
<u>Total Costs – DPS-DO</u>	<u>(\$85,829)</u>	<u>(\$106,319)</u>	<u>(\$105,080)</u>
FTE Change – DPS-DO	1 FTE	1 FTE	1 FTE
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b>Up to (\$807,357)</b>	<b>Up to (\$821,070)</b>	<b>Up to (\$823,473)</b>
Estimated Net FTE Change on General Revenue	2 FTE	2 FTE	2 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Cost – School Districts (§ 160.665)</u> Train and hire protection officers p.5	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b>\$0 or <u>(Unknown)</u></b>	<b>\$0 or <u>(Unknown)</u></b>	<b>\$0 or <u>(Unknown)</u></b>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This act establishes the "Keep Our Schools Safe Act" and creates and modifies provisions relating to school safety.

For all tax years beginning on or after January 1, 2026, this act authorizes a tax credit for teachers, administrative personnel, and athletic coaches at public, private, and charter schools to purchase a firearm or pay for an eligible firearms safety course. No taxpayer may claim a tax credit in excess of \$150, and the total amount of tax credits allocated in any tax year shall not exceed \$500,000. The Department of Public Safety (DPS) shall establish criteria defining an eligible course and shall post such criteria, along with a list of eligible courses, on the DPS website, as well as submitting this information to the Department of Revenue.

The act creates the "Keep Our Schools Safe Act" relating to school protection officers and firearm safety training for students. Currently, a school district may designate a teacher or school administrator a school protection officer. This act requires each public school, charter school, and private school to designate a school protection officer to be present at all times when children are on the school campus, as provided in the act. In addition to teachers and administrators, a school may also designate a retired law enforcement officer or retired member of the Armed Forces of the United States to serve as a volunteer school protection officer. A school protection officer shall carry a concealed firearm and a self-defense spray device. Any volunteer school protection officer who violates provisions of law regarding concealed firearms and self-defense spray may be subject to removal from the building and dismissal as a volunteer. Any teacher or administrator who violates such provisions may additionally be subject to employment termination proceedings. Before an individual is designated a school protection officer, a school shall conduct a public hearing regarding such appointment, as provided in current law.

Each school shall ensure that all students enrolled in prekindergarten through grade eight participate in a mandatory, annual Eddie Eagle Gunsafe training course on firearm safety provided by the National Rifle Association.

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 Public Safety – Directors Office  
Department of Elementary and Secondary Education  
Department of Revenue  
Department of Public Safety – Highway Patrol  
Office of the Secretary of State  
Joint Committee on Administrative Rules  
Oversight Division



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