

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4796S.01I  
 Bill No.: SB 1130  
 Subject: Higher Education; Department of Higher Education and Workforce Development;  
 Immigration  
 Type: Original  
 Date: February 23, 2026

Bill Summary: This proposal prohibits state colleges and universities from employing individuals or engaging contractors who hold H-1B nonimmigrant status.

**FISCAL SUMMARY**

**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**ESTIMATED NET EFFECT ON OTHER STATE FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Colleges and Universities*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

\***Oversight** assumes that the potential unknown cost to colleges and universities could exceed the \$250,000 threshold.

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
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</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>

## FISCAL ANALYSIS

### ASSUMPTION

#### §173.460 - Prohibits State Colleges and Universities from Employing Individuals or Engaging Contractors who Hold H-1B Visas

Officials from the **University of Missouri System (UM)** have reviewed this proposed legislation and determined the proposed legislation would have a major negative financial impact in excess of \$1M to the University of Missouri System.

Officials from the **Northwest Missouri State University (NWMO)** state that there is a possible significant fiscal impact as it seems to prohibit the university from contracting with any contractor that employs an individual with a H-1B visa. This proposal could impact recruitment of employees if not able to employ an individual with a H-1B visa status.

Officials from the **University of Central Missouri (UCMO)** state that there is an indeterminate negative fiscal impact.

**Oversight** notes that this proposal prohibits state colleges and universities from employing any individual who holds H-1B nonimmigrant status and also prohibits them from engaging the services of any contractor owned by an individual who possesses an H-1B visa or that employs an individual who holds an H-1B visa. Oversight assumes that this limitation could have a fiscal impact on local colleges, universities, and community colleges. Therefore, Oversight will reflect a \$0 or (Unknown) fiscal impact to colleges, universities, and community colleges. Oversight assumes that this impact could exceed the \$250,000 threshold.

Officials from **Department of Higher Education and Workforce Development** assume the proposal will have no fiscal impact on their respective 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 that we have received from state agencies and political subdivisions; however, other colleges, universities, and community colleges 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 our 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>COLLEGES AND UNIVERSITIES</b>			
Cost – (\$173.460) To implement employment prohibition p.3	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<b>ESTIMATED NET EFFECT ON COLLEGES AND UNIVERSITIES</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
Cost – Community Colleges (\$173.460) To implement employment prohibition p.3	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

FISCAL IMPACT – Small Business

Small businesses that contract with public colleges and universities and employ H-1B visa holders may experience loss of state contracts.

FISCAL DESCRIPTION

This act prohibits state colleges and universities from employing any individual who holds H-1B nonimmigrant status, defined in the act as an "H-1B visa". State colleges and universities are also prohibited from engaging the services of any contractor owned by an individual who possesses an H-1B visa or that employs an individual who holds an H-1B visa.

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

Department of Higher Education and Workforce Development  
Joint Committee on Administrative Rules  
Office of the Secretary of State  
Northwest Missouri State University  
University of Central Missouri  
University of Missouri System



Julie Morff  
Director  
February 23, 2026



Jessica Harris  
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February 23, 2026