

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3431-01  
Bill No.: HB 1829  
Subject: Disabilities; Family Law; Estates, Wills and Trusts  
Type: Original  
Date: April 21, 2008

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Bill Summary: This legislation changes the laws regarding the Missouri Family Trust.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
<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.

This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Health and Senior Services, Department of Labor and Industrial Relations, Office of the Attorney General, Office of the State Courts Administrator, Department of Elementary and Secondary Education** and the **Department of Insurance, Financial Institutions & Professional Registration** each assume the proposal would have no fiscal impact on their respective agencies.

Officials from the **Department of Mental Health (DMH)** states DMH is not involved in the daily operation of the Missouri Family Trust. Currently the Departments primary interaction with the trust is through the client burial account within the trust that was created in the early 1990's to provide burial coverage to clients who purchased policies from Continental Life Insurance Company. This proposal will have no fiscal impact to the Department.

Officials from the **Department of Social Services - Legal Services Division** assume the proposal would have no fiscal impact on their respective agency. Long range implications - The proposal as written can reasonably be expected to reduce the amounts of monies recovered to the Medicaid program through the estate and trust recovery program.

Officials from the **Department of Social Services - MO HealthNet Division (MHD)** states that currently, the state of Missouri, upon the death of the life beneficiary, may receive all amounts remaining in the life beneficiary's account up to an amount equal to the total medical assistance paid. This proposal allows 25% of the principal balance, upon the death of the life beneficiary, to be distributed to the charitable trust prior to any payment reimbursing MO HealthNet for medical assistance paid on behalf of the life beneficiary.

This proposal will cause a fiscal impact to the MO HealthNet Division by reducing recoveries. The amount is unknown but less than \$100,000 annually. For FY09, the fiscal impact is unknown but less than \$83,333 (\$100,000/12 times 10 months).

**Oversight** assumes, because the reduction to recoveries is speculative, that the DOS will not incur significant costs related to this proposal. If a fiscal impact were to result, the DOS may request additional funding through the appropriations process.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
	<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.

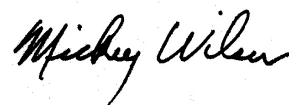
FISCAL DESCRIPTION

The proposed legislation appears to have no 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 the Attorney General  
Office of the State Courts Administrator  
Department of Elementary and Secondary Education  
Department of Insurance, Financial Institutions & Professional Registration  
Department of Mental Health  
Department of Health and Senior Services  
Department of Labor and Industrial Relations  
Department of Social Services



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