

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1667-01
Bill No.: Perfected HB 715
Subject: Veterans; Higher Education
Type: Original
Date: April 2, 2019

Bill Summary: This proposal removes the sunset provision for the Wartime Veteran's Survivor Grant program.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	\$0	\$0 to (Could exceed \$308,781)	\$0 to (Could exceed \$316,501)
Total Estimated Net Effect on General Revenue	\$0	\$0 to (Could exceed \$308,781)	\$0 to (Could exceed \$316,501)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from **Department of Higher Education (DHE)** assume there is no fiscal impact. If re-authorized, it would continue to operate until 2028. For FY 2018, the expenditures were approximately \$215,000. However, at that funding level, the program was not fully funded. DHE anticipates it will spend approximately \$275,000 this year and is asking for a \$13,000 increase for 2020 in order to cover any tuition increases.

Officials from the **Department of Public Safety - Missouri Veterans Commission** assume any costs associated with Veteran Service Officers certifying a survivor's eligibility for a Veteran's Survivor Grant can be absorbed with existing resources.

Officials from the **Department of Public Safety - Missouri National Guard** and **Missouri State University** each assume the proposal will have no fiscal impact on their organization.

Officials from the **University of Missouri System** assume this proposal will have a minimal fiscal impact on the university.

Officials from the **University of Central Missouri** assume this could have a slight negative impact on the university.

Oversight notes the program is limited to providing 25 grants annually and once the 25 recipient maximum is reached applicants are placed on a waiting list. FY 2018 was the first year a waiting list was utilized. If the waiting list exceeds 50 applicants, DHE may petition the General Assembly to expand the program. Oversight notes the following expenditures for the Wartime Veterans Survivor Grant program:

	2016	2017	2018	2019 (Projected)	2020 (Requested)
Number of Students	15	23	25	25	25
Expenditure	\$136,655	\$229,836	\$217,472	\$292,212	\$301,250

Source: DHE FY 2020 budget book.

ASSUMPTION (continued)

Oversight assumes this proposal removes the sunset provision from the Wartime Veterans Survivor Grant program and will show program costs continuing in FY 2021. Oversight will show a cost of \$0 (no appropriations) to could exceed \$308,781 (as adjusted for inflation of 2.5%) beginning in FY 2021 and continuing thereafter, as appropriated by the State.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other colleges and universities were requested to respond to this proposed legislation but did not. For a general listing of political subdivisions included in our database, please refer to www.legislativeoversight.mo.gov.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
GENERAL REVENUE			
<u>Cost</u> - program continuation (removal of sunset provision - currently set to sunset in FY 2021)	<u>\$0</u>	\$0 to (Could exceed <u>\$308,781</u>)	\$0 to (Could exceed <u>\$316,501</u>)
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0</u>	<u>\$0 to (Could exceed \$308,781)</u>	<u>\$0 to (Could exceed \$316,501)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<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

Currently, the Veteran's Survivors Grant Program will sunset on August 28, 2020. This bill exempts the program, which provides higher education financial aid grants to qualified survivors of qualified military members, from the sunset provision.

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
Department of Public Safety - Missouri Veterans Commission
Department of Public Safety - Missouri National Guard
Missouri State University
University of Missouri System
University of Central Missouri



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