

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1753-01
Bill No.: HB 810
Subject: Military Affairs; National Guard
Type: Original
Date: February 19, 2019

Bill Summary: This proposal modifies provisions regarding military affairs.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

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 6 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

§§41.952, 41.953, 167.020 and 173.1155 - Military affairs

Officials from the **Department of Labor and Industrial Relations (DOLIR)** state §41.952.2 requires the DOLIR to make a notice available to all Missouri employers regarding the rights of Missouri National Guard members under this section. An Administrative Analyst II (Range 5, \$40,708) would design the poster and, once approved, make it available to employers via the department's website. The department estimates it would take 24 work hours for completion of this process. The department estimates a one-time cost of approximately \$470 ($\$40,708 / 2080 = \19.57 per hour x 24 hours) to create and make notice available to employers.

The DOLIR anticipates being able to absorb these costs. However, until the FY20 budget is final, the DOLIR cannot identify specific funding sources.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for DOLIR.

Officials from the **State Technical College of Missouri** state this proposal will have a slight negative fiscal impact.

In response to a similar bill from this year (SB 306), officials from the **Francis Howell School District** assumed no impact from the proposal.

Officials from the **Bakersfield R-IV School District** state this proposal will cost approximately \$7,000 annually.

Without elaboration from the Bakersfield R-IV School District and statements of no impact from other school districts, **Oversight** will assume school districts will be able to implement the provisions within the proposal with existing resources.

Oversight notes that the **Attorney General's Office, Department of Elementary and Secondary Education, Department of Higher Education Department of Public Safety - (National Guard and Veterans' Commission), Office of State Courts Administrator, Missouri State University, University of Missouri and Wellsville-Middletown R-1** have stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

ASSUMPTION (continued)

Oversight notes this cost is only for Bakersfield R-IV. Oversight is unable to project a statewide cost; therefore, the impact to local governments will be presented as “could exceed \$7,000”

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other schools and 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
	<u>\$0</u>	<u>\$0</u>	<u>\$0</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

Small businesses will be required to extend the provisions of the Servicemembers Civil Relief Act, 50 U.S.C. 3901 et seq., and the Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. 4301, et seq., to all members of the Missouri Active Guard Reserves with thirty or more consecutive days of service and members of the Missouri National Guard who are called to active duty. They will also be required to post a notice regarding rights of Missouri National Guard members.

Small businesses would also be required to allow for cancellation of contracts for services for National Guard and Reserves members who are ordered to a temporary location for more than thirty consecutive days or called to active duty.

FISCAL DESCRIPTION

This bill expands the federal protections of the Servicemembers Civil Relief Act, 50 U.S.C. 3901, et seq. (SCRA) and Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. 4301, et seq. (USERRA) to all members of the Missouri Active Guard Reserves with 30 or more consecutive days of service and to all members of the Missouri National Guard who are called to active duty by an executive order from the Governor.

Additionally, this bill requires the Department of Labor and Industrial Relations to make available a notice which every employer will post in employment establishments that covers certain employment rights, reemployment rights, and civil relief rights that apply to members of the Missouri National Guard.

This bill allows members of the Missouri Active Guard Reserves or Missouri National Guard who believes his or her rights were violated to bring suit in any court of competent jurisdiction and appropriate venue. The office of the Attorney General may also bring suit against an employer who violates the provisions of this bill (Section 41.952, RSMo).

Also, this bill allows active and reserve members of the United States Armed Forces and the Missouri National Guard the right to cancel contracts for telecommunications services, Internet service, satellite or streaming television services, athletic club or gym memberships, satellite radio service, and other similar services without penalty if ordered to a duty location for more than 30 days and the duty location does not support the contract (Section 41.953).

This bill allows a member of the military to remotely register their children for school instead of demonstrating physical presence if they have orders relocating them to the state of Missouri.

Additionally, this bill would not require proof of residency for the purpose of registration, but proof of residency would be required within 10 days of the student's attendance in the school district (Section 167.020).

This bill makes the determination of eligibility for in-state tuition at public institutions of higher education for dependents of military members stationed in Missouri when accepted to enroll at the institution (Section 173.1155).

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

Attorney General's Office
Department of Elementary and Secondary Education
Department of Higher Education
Department of Labor and Industrial Relations
Department of Public Safety -
 National Guard
 Veterans Commission
Office of State Courts Administrator
Missouri State University
State Technical College of Missouri
University of Missouri
Wellsville-Middletown R-1
Bakersfield R-IV School District



Kyle Rieman
Director
February 19, 2019

Ross Strobe
Assistant Director
February 19, 2019