

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3513H.03C
 Bill No.: HCS for HB 1490
 Subject: Veterans; Merchandising Practices
 Type: Original
 Date: March 6, 2024

Bill Summary: This proposal creates provisions relating to veterans.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	\$0 to (Exceeding \$427,799)	\$0 to (Exceeding \$413,420)	\$0 to (Exceeding \$419,487)
Total Estimated Net Effect on General Revenue	\$0 to (Exceeding \$427,799)	\$0 to (Exceeding \$413,420)	\$0 to (Exceeding \$419,487)

* Subject to appropriations. The amounts above reflect only administrative costs of the DPS-MVC (4 FTE) and the DHSS (\$50,000 for research and reporting). Not included in the amounts above are reimbursements to health care facilities for hyperbaric oxygen therapy nor reimbursements for these costs by the U.S. Department of Defense or the U.S. Food and Drug Administration.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Veterans Traumatic Brain Injury Treatment and Recovery*	\$0	\$0	\$0
Veterans Commission Capital Improvements Project	Less than (\$73,000)	Less than (\$73,000)	Less than (\$73,000)
Total Estimated Net Effect on <u>Other</u> State Funds	Less than (\$73,000)	Less than (\$73,000)	Less than (\$73,000)

* Assumes transfers-in/appropriations, gifts, bequests, donations and costs net to \$0.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Veterans Traumatic Brain Injury Treatment and Recovery	4 FTE	4 FTE	4 FTE
Total Estimated Net Effect on FTE	4 FTE	4 FTE	4 FTE

- 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 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§42.022 – Missouri Veterans Commission

Officials from the **Department of Mental Health**, the **Department of Public Safety – Director’s Office** and the **Missouri Veterans Commission (MVC)**, the **Missouri National Guard**, the **Missouri House of Representatives** and the **Missouri Senate** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight notes per the MVC, in the FY 2024 budget, MVC requested and received an appropriation of \$120,000 (\$80,000 PS; \$40,000 E&E) for a prevention coordinator and the operation of a Veteran Suicide Awareness program. This was a new program within MVC, designed to oversee the statewide policy development, implementation, and operation of Veteran Suicide prevention, awareness, and education. The program includes coordinating with the Department of Veterans Affairs (VA), state agencies and community programs to ensure the stakeholders have access to timely, quality services. The FTE will administer national grants and represent the MVC as a subject matter expert on a national platform to inform program policy. The program will utilize data analysis to develop strategies to decrease Veteran suicide in this state.

Per discussion with MVC officials, it is assumed the funding for the program authorized last year will cover any fiscal impact the provisions of this proposal may have on the MVC. Therefore, Oversight will not reflect an additional fiscal impact from this part of the proposal.

§42.028 – Compensation for assisting with veterans benefits

Officials from the **Missouri Office of Prosecution Services (MOPS)** assume the proposal will have no measurable fiscal impact on MOPS. The enactment of a new crime (§42.028.11) creates additional responsibilities for county prosecutors and the circuit attorney which may, in turn, result in additional costs, which are difficult to determine.

Officials from the **Department of Commerce and Insurance**, the **Department of Public Safety - Missouri Highway Patrol** and **Missouri Veterans Commission**, the **Missouri National Guard** and the **Office of the State Public Defender** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from the **Office of the State Courts Administrator** assume the proposal would have no fiscal impact on their organization.

§42.312 – Operation Enduring Freedom, Operation Freedom’s Sentinel and Operation Allies Refuge Program

Officials from the **Missouri National Guard (MONG)** estimates there are 73,000 veterans eligible to receive this award. HB 1490 will have an approximate \$1,000 - \$1,095,000 fiscal impact to the Veterans Recognition program, which is funded by the Veterans Commission Capital Improvement Trust Fund (0304). The wide range of estimated fiscal impact is due to the uncertainty of how many veterans will apply and be approved for the award. The estimated cost per award (medal, medallion, and certificate), including postage, is \$15. The total estimated cost would be an accumulated cost, spanning future fiscal years over the life of the program.

There are several other programs currently in place to recognize veterans of previous conflicts. A summary of program activity is contained in the table below:

Conflict	Year Program Began	Number of Awards Issued to Date
WWII	2000	47,115
Korea	2003	18,635
Vietnam	2006	32,275
Operation Desert Storm/Shield & Operation Iraqi Freedom/New Dawn	2019	1,779

Oversight contacted the MNG to inquire how many personnel deployed to Operation Enduring Freedom, Operation Freedom’s Sentinel, and Operation Allies Refuge Program. However, Oversight did not received that information. Therefore, using MNG’s estimate of 73,000 current Missouri veterans, Oversight will assume approximately 40 percent of those veterans served during this timeframe (10/7/2001 – 8/30/2021). Oversight also assumes approximately half or 14,600 ($73,000 * 0.40 * 50\%$) service members and registered veterans will apply for the medal. $14,600 * \$15 = \$219,000$.

Based on the implementation of other similar programs, Oversight will reflect this cost spread over the three years ($\$219,000 / 3 = \mathbf{\$73,000}$) of the fiscal note to the Veterans Commission Capital Improvement Trust Fund. Oversight notes the ending balance in the Veterans Commission Capital Improvement Trust Fund (0304) as of February 29, 2024, was \$25,909,949.

Officials from the **Missouri Veterans Commission (MVC)** defer to the MONG regarding the fiscal impact of the provisions of §42.312.

Officials from the **Office of Administration** 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.

§§191.2600 to 191.2630 – Alternative therapies for veterans with PTSD and traumatic brain injuries

Officials from the **Department of Public Safety (DPS) - Missouri Veterans Commission (MVC)** state this proposal would have a significant fiscal impact on the Missouri Veterans Commission.

This would be a new program owned by the Missouri Veterans Commission as defined in §191.2600 (2) definition of Commission. Section 191.2610 provides compliance and eligibility under the program which is increased responsibilities of MVC, outside of its existing operational structure. Section 191.2615 creates the new fund “Veterans Traumatic Brain Injury Treatment and Recovery fund” and further defines how monies are granted and reimbursed. Section 191.2620 defines responsibility of the recipient and the oversight, data analysis, and reporting responsibility of MVC.

The MVC assumes this bill would require MVC to review, preapprove, obligate, pay, report, and audit the program on behalf of the Veterans in any authorized facility throughout the state. This work would require the creation of a new section within the Missouri Veterans Commission consisting of technicians with medical knowledge and staff familiar with accounting that does not currently exist.

The MVC makes the following assumptions:

- require an administrative assistant - \$40,000 annual
- one accounts payable assistant - \$40,000 annual
- one accounts receivable assistant - \$45,000 annual
- a program manager - \$80,000 annual
- new computer equipped with tracking software and office space that MVC does not currently have available - \$103,000
- This would be a centralized function at MVC HQ in coordination with DHSS

MVC is not certain how many of these therapies exist today and defer to the Department of Health and Senior Services regarding these therapies and related information.

Since the provisions of this proposal would be effective January 1, 2025, the MVC anticipates a 6-month impact for 2025 of \$363,293; an impact of \$363,420 for FY 2026; and an impact of \$369,487 for FY 2027.

Oversight has no information to the contrary. Therefore, Oversight will present the fiscal impact of this proposal as provided by DPS-MVC. Oversight assumes all costs incurred by the MVC and the DHSS, plus reimbursements for therapy/treatment will be paid for through the Veterans Traumatic Brain Injury Treatment and Recovery Fund authorized by §191.2615. Funding for this program will consist of any appropriation, gifts, bequests and donations. Therefore, Oversight assumes, for fiscal note purposes, total funding and expenditures will net to \$0.

Officials from the **Department of Health and Senior Services (DHSS)** state §§191.2600 to 191.2630 of the proposed legislation, establishes the “Veterans Traumatic Brain Injury Treatment and Recovery Act” and the “Veterans Traumatic Brain Injury Treatment and Recovery Fund” creating provisions relating to alternative therapies (including, but not limited, to hyperbaric oxygen therapy) for veterans with Post Traumatic Stress Disorder (PTSD) or Traumatic Brain Injuries (TBI). The Veteran’s Commission would determine if entities are eligible for reimbursement for providing alternative therapies to veterans diagnosed with PTSD or TBI and reimbursing those entities from the fund. Under section 191.2615 subsection 7, the DHSS would be responsible for awarding funds (via contract(s)) to entities to conduct research on the effectiveness of the therapies as treatment. DHSS would also be responsible for analyzing the report prepared by the Commission, as well as information from the studies and research conducted by the entities contracted by DHSS. This information would be used by DHSS to prepare a report outlining findings, efficacies of alternative treatment, and recommendations on budgetary, legislative, or regulatory changes required to expand access to alternative treatment for the target population. Per section 191.2625 subsection 3 of the proposed legislation, the DHSS report would be submitted to the Governor before January thirtieth each year. Section 191.2630 of the proposed legislation, states that DHSS and the Veteran’s Commission will jointly promulgate rules and regulations related to the legislation.

The estimated fiscal impact of the research and reporting responsibilities assigned to DHSS as set forth in the proposed legislation (Sections 191.2615 subsection 7 and 191.2625 subsection 3) is **\$50,000** annually. This is based on a research contract quote from one of DHSS’ current partners.

The legislation proposes to fund these costs from the newly established Veterans Traumatic Brain Injury Treatment and Recovery Fund. The Veterans Traumatic Brain Injury Treatment and Recovery Fund would consist of any appropriations, gifts, bequests, or public or private donations. This fiscal note assumes all costs would be made from the Veterans Traumatic Brain Injury Treatment and Recovery Fund and an equivalent General Revenue transfer would be necessary to support the new fund.

Section 191.2605(3) defines facility as “a public or private health clinic, outpatient health clinic, community health center, hospital, or other facility authorized under rules of the department of health and senior services to provide hyperbaric oxygen therapy under sections 191.2600 to 191.2615.” As a result of the proposed legislation, DHSS’ Division of Regulation and Licensure, Section for Health Standards and Licensure may experience minor additional work in terms of receiving and processing complaints regarding this program and whether a hospital is carrying

out all of the requirements properly.

It is assumed that the DHSS duties listed above will be performed by current DHSS staff. Therefore, no additional FTE will be required or requested. However, if the workload significantly increased or other legislation was enacted, additional resources would be requested through the appropriation process.

Oversight has no information to the contrary. Therefore, Oversight will present the fiscal impact of this proposal to the Veterans Traumatic Brain Injury Treatment and Recover Fund as provided by DHSS.

In response to similar legislation from the current session (HB 2215), officials from the **University of Missouri Health Care (MU Health)** stated they had reviewed this proposed legislation and has determined that, as written, it should not create expenses in excess of \$100,000 annually.

Oversight has no information to the contrary. Oversight assumes the additional expenses that may be incurred as a result of this proposal is absorbable within the current funding levels MU Health and will present no fiscal impact for this organization.

Officials from the **Department of Commerce and Insurance, DPS – Division of Fire Safety**, the **Department of Social Services** and the **Missouri National Guard** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from the **Office of the State Treasurer** assumed the proposal would have no fiscal impact on their organization.

§§301.3181 and 301.3182 – License plates for certain veterans

Officials from the **Department of Revenue (DOR)** assume the following regarding this proposal:

A \$15.00 fee will be collected at the time of application and registration. The new design would include both stock and personalized for specialty plates. There will be a \$125 design fee and an additional \$45 fee when creating a new plate design.

Administrative Impact

To implement the proposed legislation, the Department will be required to:

- Update charts, procedures and the Department website;
- Update the Application for Missouri Personalized and Special License Plate (DOR-1716, and DOR-4601); and
- Complete programming and user acceptance testing for identified systems.

FY 2025 – Motor Vehicle Bureau

Associate Research/Data Analyst 53 hrs. @ \$25.22 per hr. = \$1,337

Research/Data Analyst 13 hrs. @ \$27.00 per hr. = \$351

Administrative Manager 7 hrs. @ \$29.31 per hr. = \$205

FY 2025– Strategy and Communications Office

Associate Research/Data Analyst 40 hrs. @ \$21.64 per hr. = \$865

Total = **\$2,758**

The department will absorb the cost; however, if several bills pass, they will seek appropriations through the budget process.

Oversight assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

DOR notes OA-ITSD services will be required at a cost of **\$14,506** in FY 2025 (138.15 hours x \$105 per hour).

Oversight does not have any information to the contrary in regards to DOR's assumptions; therefore, Oversight will reflect DOR's OA-ITSD costs on the fiscal note.

Officials from the **Missouri Veterans Commission** and the **Missouri Department of Transportation** 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.

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.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other hospitals were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE FUND			
<u>Transfer-Out – Appropriations to the Veterans Traumatic Brain Injury Treatment and Recovery Fund</u> (§191.2615) p.5-6	\$0 to (Exceeding \$413,293)	\$0 to (Exceeding \$413,420)	\$0 to (Exceeding \$419,487)
<u>Cost – DOR – OA-ITSD services</u> (§§301.3181 & 301.3182) p. 7-8	(\$14,506)	\$0	\$0
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>\$0 to (Exceeding \$427,799)</u>	<u>\$0 to (Exceeding \$413,420)</u>	<u>\$0 to (Exceeding \$419,487)</u>

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
VETERANS COMMISSION CAPITAL IMPROVEMENTS TRUST FUND (0304)			
<u>Cost</u> – MONG - New medallion program (§43.212) p. 7	Less than (\$73,000)	Less than (\$73,000)	Less than (\$73,000)
ESTIMATED NET EFFECT ON THE VETERANS COMMISSION CAPITAL IMPROVEMENTS TRUST FUND	<u>Less than</u> <u>(\$73,000)</u>	<u>Less than</u> <u>(\$73,000)</u>	<u>Less than</u> <u>(\$73,000)</u>
VETERANS TRAUMATIC BRAIN INJURY TREATMENT AND RECOVERY FUND			
<u>Transfer-In</u> – Appropriations from General Revenue (§191.2615) p.5-6	\$0 to Exceeding \$413,293	\$0 to Exceeding \$413,420	\$0 to Exceeding \$419,487
<u>Income</u> – Reimbursements, gifts, bequests, & donations (§191.2615) p. 5-6	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Costs</u> – DPS-MVC (§§191.2610 to 191.2630) Personal service (4 FTE), fringe benefits and equipment and expenses p. 5-6	<u>(\$363,293)</u>	<u>(\$363,420)</u>	<u>(\$369,487)</u>
FTE Change - MVC	4 FTE	4 FTE	4 FTE
<u>Costs</u> – DPS-MVC – reimbursement to health care facility for providing hyperbaric oxygen therapy to veterans p. 5-6	(Unknown)	(Unknown)	(Unknown)

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
<u>Reimbursement – DPS-MVC - from the US Food and Drug Administration or the US Department of Defense p. 5-6</u>	Unknown	Unknown	Unknown
VETERANS TRAUMATIC BRAIN INJURY TREATMENT AND RECOVERY FUND (continued)			
<u>Costs – DHSS (§§191.2615 and 191.2625) - research and reporting requirements p.6</u>	(\$50,000)	(\$50,000)	(\$50,000)
ESTIMATED NET EFFECT ON THE VETERANS TRAUMATIC BRAIN INJURY TREATMENT AND RECOVERY FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Estimated Net FTE Change on the Veterans Traumatic Brain Injury Treatment and Recovery Fund	4 FTE	4 FTE	4 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

This proposal may negatively impact certain small business that currently provide services to veterans for a fee.

FISCAL DESCRIPTION

This bill awards medallions, medals, and certificates of appreciation to a veteran that is a resident of this state, honorably served on active duty in the United States military service at any time between October 7, 2001, and August 30, 2021, and was honorably separated and discharged from military service. (§43.212)

This bill establishes the "Veterans Traumatic Brain Injury Treatment and Recovery Act". The bill creates the "Veterans Traumatic Brain Injury Treatment and Recovery Fund", which will reimburse facilities that provide hyperbaric oxygen therapy to veterans diagnosed with posttraumatic stress disorder or traumatic brain injury, and be used to conduct studies on the use of alternative therapies for such conditions.

The bill specifies the eligibility criteria and requirements for veterans, facilities, and health care practitioners for reimbursement. The Missouri Veterans Commission must compile an annual report with data about the treatment of hyperbaric oxygen therapy and its effectiveness. The information collected for the report is specified in the bill.

The bill grants the Missouri Veterans Commission and the Department of Health and Senior Services the authority to promulgate rules and regulations for the administration of the Act. (§§191.2600 to 191.2630)

This bill creates special vehicle license plates for veterans who served in Afghanistan and Iraq.

The bill specifies that any person who was awarded the Afghanistan Campaign medal and the Iraq Campaign medal, may for vehicle plates by providing proof of service and paying a\$15 fee. The plates can be personalized at no extra cost.

The bill states that there is no limit on the number of plates a person can obtain, as long as he or she owns the vehicle, and that the plates are not transferable to anyone else. (§§301.3181 and 301.3182)

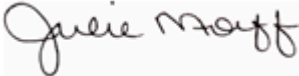
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

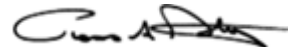
Department of Commerce and Insurance
Department of Health and Senior Services
Department of Mental Health
Department of Revenue
Department of Public Safety –
 Fire Safety
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 Missouri Highway Patrol
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Office of the State Public Defender
Office of the State Treasurer
MU Health
Joint Committee on Administrative Rules
Missouri House of Representatives
Missouri Senate
Missouri Office of Prosecution Services
Office of the State Courts Administrator



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