

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4533H.01I  
 Bill No.: HB 1988  
 Subject: Military Affairs; Veterans; Funerals and Funeral Directors  
 Type: Original  
 Date: February 11, 2024

Bill Summary: This proposal modifies provisions relating to the military honor detail program.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
<b>MISSOURI NATIONAL GUARD TRUST FUND (0900)</b>	(\$700,000 to \$775,000)	(\$840,000 to \$930,000)	(\$840,000 to \$930,000)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(\$700,000 to \$775,000)</b>	<b>(\$840,000 to \$930,000)</b>	<b>(\$840,000 to \$930,000)</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §41.958 – Military honor detail program

Officials from the **Missouri National Guard (MONG)** state this proposal would mandate that veterans service organizations (VSOs) be compensated in the amount of two hundred dollars (\$200) for each military honor detail performance.

Currently, VSOs are compensated in the amount of \$100 per service. On average, over the past three fiscal years, VSOs participate in 700 services per month. Using the average number over a fiscal year, the MONG would expect to annually spend \$840,000 from the Missouri National Guard Trust Fund (0900) to compensate the VSOs (8,400 services \* \$100). In reality, because numbers of services fluctuates, the annual expense fluctuates; as recently as FY22, MONG spent over \$930,000 to compensate VSOs. Increasing the compensation to \$200 per service would double the expected expenditure, leading to an estimated annual expense of \$1,680,000 - \$1,860,000. The Trust Fund receives funding from the Gaming Commission through a prescribed formula; therefore, the revenue remains relatively constant over time, while costs to administer honor details have risen consistently. It is estimated that an additional \$840,000 to \$930,000 of General Revenue would need to be appropriated in order to compensate VSOs at the level required by HB 1988.

**Oversight** notes the following transfers from the Gaming Commission to the MONG Trust Fund for year ends 2020 – 2023:

FY 2020	\$4,008,032
FY 2021	\$4,010,365
FY 2022	\$4,010,749
FY 2023	\$4,008,842

Per MONG's 2025 budget request, the MONG estimates that 470,000 veterans currently reside in Missouri. In FY 23, Missouri Funeral Honor Program coordinated approximately 8,400 and conducted over 4,280 missions of those missions coordinated. The appropriation (National Guard Trust Fund) helps ensure that MO deceased military veterans receive proper military honors.

**MONG** officials state there is the likelihood of a decreased ability to perform honor details should the increased expenditure not be supplemented by General Revenue. The money from the Trust Fund that supports honor detail performance primarily pays for state FTE and VSO participation. The state FTE are predominantly positions that provide honors at a funeral service. The Military Funeral Honors program employees provide honors for all Army veterans/retirees

buried in the state of Missouri. The program sends a minimum two soldier detail; depending on the military service of the deceased, the program may send up to a 9-soldier detail. VSOs support funeral services for all branches through activities such as providing a gun salute and the sounding of “Taps”. Without additional funding, the program will likely have to reduce FTE expense in order to compensate VSOs. The impact of this is that honors will not be able to be provided for some veteran funeral services. The program has consistently been able to provide honors at over 99% of funeral services when requested. It is unknown how much that percentage could decrease, but could result in over 4,000 service members not receiving honors because funds are not available to pay VSOs.

**Oversight** has no information to the contrary. Therefore, Oversight will present the fiscal impact of this proposal as provided by the MONG and show additional costs to the Missouri National Guard Trust Fund of \$840,000 to \$930,000 annually.

Officials from the **Department of Public Safety - Missouri Veterans Commission** 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.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
<b>MISSOURI NATIONAL GUARD TRUST FUND (0900)</b>			
<u>Cost – MONG (\$41.958) – increased funding for military honor detail program p.3-4</u>	(\$700,000 to \$775,000)	(\$840,000 to \$930,000)	(\$840,000 to \$930,000)
<b>ESTIMATED NET EFFECT ON THE MISSOURI NATIONAL GUARD TRUST FUND</b>	<b><u>(\$700,000 to \$775,000)</u></b>	<b><u>(\$840,000 to \$930,000)</u></b>	<b><u>(\$840,000 to \$930,000)</u></b>

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

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

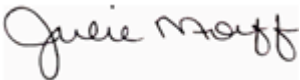
FISCAL DESCRIPTION

Currently, when requested by the commander of any recognized veterans' organization, military commander, or by any friend or relative of a deceased person or the director of a funeral home for any deceased person who served in the Armed Forces of the United States during a time of war or is otherwise entitled to military honors at the person's burial, internment or memorial service, the Adjutant General must order the appropriate requested uniformed honor detail to attend and render the appropriate services or request and coordinate the appropriate detail with a recognized veterans' organization. The amount paid to the veterans' organizations is determined by the Adjutant General. This bill removes the authority to determine the amount of compensation from the Adjutant General and instead makes the amount \$200 dollars for each military honor performance.

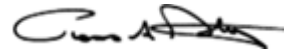
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety – Missouri Veterans Commission  
Missouri National Guard



Julie Morff  
Director  
February 11, 2024



Ross Strobe  
Assistant Director  
February 11, 2024