

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0321S.03C
Bill No.: SCS for HB 225
Subject: Crimes and Punishment; Economic Development; Economic Development,
Department Of; Education, Higher; Emergencies; Emergencies; Highway Patrol;
Law Enforcement Officers and Agencies; Motor Vehicles; Public Safety,
Department Of; Saint Louis City; Transportation; Workers' Compensation
Type: Original
Date: April 22, 2025

Bill Summary: This proposal modifies provisions relating to public safety.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2031)
General Revenue*	(Unknown, more or less than \$1,064,018)	(Unknown, more or less than \$1,543,643)	(Unknown, more or less than \$2,233,826)	(Unknown, more or less than \$4,735,671)
Total Estimated Net Effect on General Revenue	(Unknown, more or less than \$1,064,018)	(Unknown, more or less than \$1,543,643)	(Unknown, more or less than \$2,233,826)	(Unknown, more or less than \$4,735,671)

***Oversight** notes GR cost include transfer out from DHEWD to the Public Safety Recruitment and Retention Fund (§173.2655) starting in FY27 and increases to the Line of Duty Compensation Act from §287.243.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2031)
Various State Funds	Less than \$250,000	Less than \$250,000	Less than \$250,000	Less than \$250,000
Public Safety Recruitment and Retention Fund	\$0	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
Colleges and Universities	\$0	\$0 or More or less than \$630,202	\$0 or More or less than \$1,323,384	\$0 or More or less than \$3,818,622
Criminal Records System	\$0 to Could exceed \$176,000	\$0 to Could exceed \$176,000	\$0 to Could exceed \$176,000	\$0 to Could exceed \$176,000
Total Estimated Net Effect on <u>Other</u> State Funds	More or Less than \$426,000	More or Less than \$1,056,202	More or Less than \$1,749,384	More or Less than \$4,244,622

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2031)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2031)
General Revenue	1 to 3 FTE	1 to 3 FTE	1 to 3 FTE	1 to 3 FTE
Total Estimated Net Effect on FTE	1 to 3 FTE	1 to 3 FTE	1 to 3 FTE	1 to 3 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 2026	FY 2027	FY 2028	Fully Implemented (FY 2031)
Local Government	(Unknown, More or Less than \$1,166,667)	(Unknown, More or Less than \$1,500,000)	(Unknown, More or Less than \$1,500,000)	(Unknown, More or Less than \$1,500,000)

FISCAL ANALYSIS

ASSUMPTION

§§43.546, 190.106, 210.487, 301.551 and 335.022 – Background checks for certain applicants

Officials from the **Department of Revenue (DOR)** state §301.551 provides the DOR the option of requiring fingerprint submission with any licensure application for a new motor vehicle franchise dealer, used motor vehicle dealer, powersport dealer, wholesale motor vehicle dealer, motor vehicle dealer, public motor vehicle auction, RV dealer, trailer dealer, boat dealer, manufacturer, or boat manufacture. Applicants will be required to submit fingerprints to the Missouri State Highway Patrol (MSHP) for review of the state criminal record. The MSHP will also forward the prints to the FBI for review of the federal criminal record. Any fees associated with this process will be handled by the MSHP central repository.

NOTE: Although this statute states that the DOR “may” implement this measure, the current opinion of management indicates that this will become a requirement. Additionally, although the language indicates that this be included “... as part of an application seeking licensure...”, the DOR will also make this a requirement for annual dealer license renewals as this falls in line with current procedures.

The DOR will have the following fiscal impact:

Administrative Impact

To implement the proposed changes, the DOR will be required to:

- Update procedures, correspondence letters, forms, and the Department website;
- Update the Dealer and Business operating manual;
- Update Department Systems
- Send communications to registered dealers
- Hire additional FTE; and
- Procure equipment for new FTE

The DOR will require 2 additional FTE for reviewing criminal background checks and processing the additional documentation.

Should the legislation be implemented, Motor Vehicle Bureau (MVB) employees will be required to access the MSHP’s Missouri Automated Criminal History System (MACHS). Since the new process will give MVB an extensive view of an applicant’s criminal history, DOR is expecting the review times for the applications to increase. Additionally, the information contained in MACHS is considered sensitive but unclassified (SBU) federal information. MVB would ideally restrict the number of employees with access to the system to protect the confidentiality of the data. This will create an additional step(s) in the approval process as requested data analysts would be reviewing the MACHS data before MVB grants new dealer licenses.

MVB has roughly 8,000 active dealers within Missouri. Based on data from other states who have implemented the same federal fingerprinting requirement, MVB estimates 10% of new dealers will be denied a license. This will increase the volume of calls and correspondence.

After completing the required training, MVB would also participate in MSHP's Rap Back Program. The program will automatically notify MVB every time a registered dealer commits a crime and is fingerprinted for said crime. The Associate Research Data Analyst would be responsible for keeping up with those notifications and beginning procedures to revoke licenses if it is a punishable offense.

DOR anticipates an increase in calls, correspondence, and a delay in processing due to the proposed legislation. The additional FTE would assist in the implementation and continuity of the federal fingerprint-based criminal history background checks.

With the changes, new and renewing dealers may be denied a license to operate and the DOR foresees a need for additional legal resources to pursue such denial actions and defending any appeals which may arise from the denials.

FY 2026 - Motor Vehicle Bureau additional FTE costs

Associate Research Data Analyst	\$46,447
Equipment costs for laptops, accessories and software	\$1,085
Additional monitors needed 2 @ \$169 each	
Cubicle, chair, calculator	\$8,438 each
Phone	\$525 each
Headset	\$125 each
Total per FTE	\$56,958
	<u>* 2 FTE</u>
Total	<u>\$113,916</u>

FY 2026 – Motor Vehicle Bureau

Associate Research/Data Analyst 20 hrs. @ \$26.03 per hr. =	\$521
Research/Data Analyst 30 hrs. @ \$27.87 per hr. =	\$836
Administrative Manager 10 hrs. @ \$358.10 per hr. =	<u>\$351</u>
Total	\$1,708

FY 2026 – Systems Analysis and Support

Research/Data Analyst 20 hrs. @ \$27.87 per hr. =	\$557
Administrative Manager 10 hrs. @ \$35.10 per hr. =	\$351
Associate Research/Data Analyst 80 hrs. @ \$26.03 per hr. =	<u>\$2,082</u>
Total	\$ 2,990

FY 2026 –Strategy and Communications Office

Research/Data Analyst 30 hrs. @ \$27.87 per hr. =	\$836
Administrative Manager 10 hrs. @ \$35.10 per hr. =	\$351
Associate Research/Data Analyst 20 hrs. @ 26.03 per hr. =	<u>\$521</u>
Total	\$1,708

Total Costs = \$120,322

The fiscal impact estimated above is based on changes in the current DOR's Motor Vehicle system environment. The implementation of this legislation will be coordinated with the integration of the Department's Motor Vehicle and Driver Licensing software system approved and passed by the general assembly in 2020 (Senate Bill 176). To avoid duplicative technology development and associated costs to the state, it is recommended a delayed effective date be added to this bill to correlate with the installation of the new system.

Fusion Impact

The costs associated with these legislative changes may be outside of the current contract and identified programming work for DOR's incoming integrated system. As such, the DOR has included the potential costs associated with making the changes to the integrated system by the department's current vendor.

To develop a function within Fusion to add data entry fields to the dealer registration and account maintenance processes:

Implementation Consultant: 200 hrs. @ \$225/ hr = \$45,000

Oversight contacted DOR regarding the potential number of new applicants they receive on a yearly basis. DOR indicated they do not separate applications by new versus renewing dealers but assume the 8,000 applications are mostly renewals. The number stays roughly the same from one year to the next. Therefore, there would be some new dealers filing applications, but there is no way to determine that number.

DOR officials assume the applicant would be required to pay any background fees and the moneys would go to the MHP.

Oversight contacted DOR officials regarding background checks for renewals. DOR officials stated applicants need to have a new background check performed each time they apply for a renewal. The first 2 background checks are only good for a year each (initial licensing year and then the first renewal year). After that, renewals are good for 2 years so the background check would be good for 2 years.

Oversight notes, in response to similar legislation from the prior year (HCS HB 1800), MHP stated the proposal provides for a new §301.551 which allows DOR the ability to require a fingerprint criminal record check as part of an application process for said licenses. If DOR chooses to do so as a policy decision, then as a result, revenue would be generated into the Criminal Records System Fund.

Oversight also notes that the provisions of §301.551.1 state “The department of revenue may (emphasis added) require that fingerprint submissions be made a part of an application seeking licensure for a new motor vehicle franchise dealer...” In addition, the provisions of subsection 2 state “If (emphasis added) the department of revenue requires that fingerprint submissions be made as part of such application, the department of revenue shall require applicants submit the fingerprints to the Missouri state highway patrol for the purpose of conducting a state and federal fingerprint-based criminal history background check.” Since the language of the proposal is permissive, Oversight will range DOR’s fiscal impact from \$0 to the amount provided.

In addition, **Oversight** notes the current fingerprint-based background check fee is \$44.75. The State portion of that fee is \$20 + \$2 retained from the federal fee. Based on DOR’s estimate of 8,000 applications annually, the potential income into the Criminal Records System Fund (0671) could be as much as \$176,000 annually attributable to the number of background checks required by DOR alone. However, as stated earlier, the provisions of this proposal are permissive and other state agencies, boards and committees are no longer mandated to require applicants submit fingerprints when seeking various licenses or permits. Therefore, Oversight will range income into the Criminal Records System Fund as \$0 to Could exceed \$176,000 for each FY26, FY27 and FY28.

In response to similar legislation from this year, Perfected HB 992, officials from the **Springfield Police Department (PD)** state the PD would likely be completing more fingerprint appointments than are currently done. This increase could cause the PD to need to hire another full-time employee.

Oversight assumes Springfield PD’s impact is speculative at this point as there is no guarantee they would see a significant increase in the number of fingerprint appointments scheduled. In addition, of the local law enforcement agencies responding (see below), no other law enforcement agency anticipated a fiscal impact. Therefore, Oversight assumes the potential increase in the number of fingerprint appointments scheduled by the Springfield PD will not be significant enough to require the hiring of additional FTE. Oversight will present no fiscal impact for this agency for the provisions of this proposal.

Officials from the **University of Missouri (UM)** state this bill would only create a fiscal cost for the University if UM chooses to pay licensure costs for individuals in the covered licensed professions/occupations (including the fingerprint costs associated with the bill).

Oversight assumes the University would not incur significant costs if it chooses to cover the cost of background checks for potential employees and the cost would be absorbable within the

current funding levels of the University. Therefore, Oversight will present no fiscal impact to the University.

In response to similar legislation from this year, Perfected HB 992, officials from the **Office of Attorney General (AGO)** assumed any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

Officials from the **Office of the State Courts Administrator** state there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

Oversight notes the following: “The office of state courts administrator may require that fingerprint submissions be made as part of the application of certification as a qualified interpreter...” and “The Missouri supreme court may require that fingerprint submissions be made as part of an application of licensure for admission or reinstatement to the Missouri Bar in order to engage in the practice of law or law business...”.

For purposes of this fiscal note, **Oversight** assumes OSCA will not pay the cost of fingerprint-based criminal history background checks rather the applicant would, if required. Therefore, Oversight will not show a fiscal impact to OSCA.

In response to similar legislation from this year, Perfected HB 992, officials from the **Office of the State Public Defender**, the **Office of the State Treasurer** and the **Northwest Missouri State University** each assumed 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.

§§44.087, 300.100 & 304.022 - Law Enforcement Assistance from Another Jurisdiction & Siren Use for Emergency Vehicles

In response to a previous version, officials from the **Department of Labor and Industrial Relations**, the **Department of Revenue** and **O’Fallon** each assumed 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.

In response to similar legislation from 2023, Perfected HCS for HB 1015, officials from the **St. Joseph Police Department** assumed 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.

§§57.010 & 57.530 – Sheriff of the City of St. Louis

In response to similar legislation from this year, HB 529, officials from the **Sheriff's Retirement System** assumed the impact is unknown at this time. The sheriff department identified in this legislation is part of the retirement system and benefits are determined based on the salary. This legislation sets the minimum salary for the sheriff not the maximum. Once the salary is known, an impact could be calculated.

Oversight does not have information to the contrary and therefore, Oversight will reflect the unknown estimate as provided by the Sheriff's Retirement System.

In response to similar legislation from this year, HB 529, officials from the **City of St. Louis** assumed this proposal would fix the compensation for Sheriff's deputies within the City of St. Louis to be no less than \$50,000 annually. Based on the number of deputies and salaries included in the FY24 budget this would increase costs of the Sheriff's department by an estimated \$2.0M per year including pay and benefits. The FY24 budget for the Sheriff authorizes 170 total positions. Of this total there are budgeted 151 deputies with an average salary of \$39,333. The differential between this average salary and the \$50,000 is \$10,667. Multiply this amount by the 151 positions and the total increase in salaries would amount to \$1.6M. Adding fringe benefits (social security, life insurance, pension, etc.) would bring total costs to just over \$2M per year.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the City of St. Louis.

§173.2655 - Public Safety Recruitment and Retention Act

Officials from the **Department of Higher Education and Workforce Development (DHEWD)** assume this legislation creates two new sections, 173.2655 and 173.2660, which establishes the "Public Safety Recruitment and Retention Act." This act creates a grant for public safety officers and first responders (dispatchers, EMTs, fire fighters, paramedics, and police officers) to cover the cost of tuition and fees at Missouri public postsecondary institutions after working for 6 years, and for their dependents after working 10 years.

According to data from the U.S. Bureau of Labor Statistics' Occupational Employment and Wage Statistics Program (BLS – OEWS), there are 29,050 full-time public safety officers and first responders in the state (3,190 dispatchers, 3,670 EMTs, 5,570 fire fighters, 3,550 paramedics, and 13,070 police officers). Although the legislation limits this award to those with at least six years of service, the best available data, from Zippia.com, indicates that just over 44 percent of public safety officers and first responders have been on the job for at least five years, and that 47.5 percent have below a bachelor's degree. Assuming a three percent utilization rate for those meeting the eligibility criteria, the department estimates that **183 individuals** would be eligible (29,050 * 44.2 percent with eligible service * 47.5 percent below a bachelor's degree * 3 percent utilization).

Additionally, this allows the dependents of public safety officers and first responders, who have at least 10 years of service (19 percent), to receive this grant, which would include spouses and children. According to Pew Research, about 53 percent of individuals are married, and Census data indicates that 68 percent of adults have below a bachelor's degree. Applying national enrollment trends by age on the population, they estimate that around three percent of Missourians between the ages of 25 and 64 attend college, which would result in **60 eligible spouses** (29,050 * 19 percent with 10 years of service * 53 percent that are married * 68 percent below a bachelor's degree * three percent utilization). Further, Pew Research estimates that 19 percent of families have children, and the average family size is 1.9 children. Of those, roughly 9.5 percent are 18-24, of which 80 percent will stay in state and 60 percent will attend a public postsecondary institution, resulting in **91 eligible children** (29,050 * 19 percent with 10 years of service * 19 percent with children * 1.9 children * 9.5 percent of college going age * 80 percent staying in-state * 60 percent attending a public college or university).

This results in **334 individuals eligible for the award**. If they assume that roughly 32 percent attend community colleges (where tuition and fees average \$5,140 a year for full-time students) and 68 percent attend a public four-year institution (where tuition and fees average \$11,418.73 a year for full-time students), they get a total of \$3.13 million. Because these individuals have been working in their positions at least six years, the department does not believe they would be Pell or Fast Track eligible, and only a negligible amount would be eligible to receive a small Access Missouri award.

Upon further inquiry, DHE provided ITSD estimate. **OA-ITSD** states the project would take 1,587.60 hours at a contract rate of \$105 for a total cost of **\$166,698** in FY 2026 with on-going support costs of **\$34,173** in FY 2027 and **\$35,027** in FY 2028.

Oversight notes DHEWD is assuming a three percent utilization rate for those meeting the eligibility criteria. Oversight has calculated the below based on DHEWD's methodology to show a range of utilization rates. However, Oversight is unable to determine how many individuals will be eligible or utilize the grant. Oversight further assumes transfers-in and grants provided will net to \$0.

Percentage utilization/ individuals eligible	Cost
1% / 111	\$1,043,333
2% / 222	\$2,086,667
3% / 334	\$3,138,180
6% / 518	\$6,260,000
9% / 640	\$9,390,000
12% / 883	\$12,520,000

Oversight notes DHEWD is assuming a three percent utilization rate for those utilizing these programs. Oversight assumes there will be a gradual rise in participation as students receive the award over several years and new students are added to the participant group; therefore, Oversight will reflect a step up in participation. In response to similar legislation HCS for HB

Nos. 1514, 1525, and 1527, DHE provided the average award amounts for students receiving the award, which included a 5% inflation rate for award amounts. Therefore, using their estimates and Oversight calculations for stepped up participation, Oversight will reflect the cost below:

R&R	FY26	FY27	FY28	FY29	FY30	FY31
student	0	67	134	200	267	334
avg. award	\$0	\$9,406	\$9,876	\$10,370	\$10,889	\$11,433
award sub.	\$0	\$630,202	\$1,323,384	\$2,074,000	\$2,907,363	\$3,818,622

Officials from the **University of Missouri System (UM)** assume that 120 credit hours tuition cost \$54,600 in academic year 2025. This fiscal impact would be this amount multiplied by the number of students who were eligible to receive this waiver, which they cannot estimate at this time.

Oversight notes the University of Missouri's response indicates an average cost per credit hour of \$455 (\$54,600/ 120 hours) for academic year 2025.

In response to similar legislation from this year, Perfected SS for SCS for SB 71, officials from **Northwest Missouri State University** assumed potential material fiscal impact; volume is unknown and state funding is not guaranteed; also costly to manage because their system will not automatically mange the criteria for eligibility and continuation; the five-year residency in MO will be difficult to track and they will not be able to utilize the debt offset in MO so there will ultimately be no payback of the funds.

Oversight assumes this award could act as an incentive for students to attend college and community colleges. However, it is unclear how many students would have already been college bound and what percentage would attend only due to this new incentive. Therefore, Oversight assumes there could be an increase in student enrollment which would result in an increase in revenue to the colleges and community colleges for \$0 to Unknown.

Officials from **DHEWD** estimate that the fiscal impact for FY 2026 is between zero and \$241,673, to stand up the program. The department estimates this program will go into effect in FY 2027 and estimates the fiscal impact to be between zero and \$3.25 million. Assuming an annual inflationary increase of five percent per year, the costs for FY 2028 would range from zero to \$3.41 million.

In response to similar legislation from this year, Perfected SS for SCS for SB 71, officials from the **Office of Administration - Budget and Planning** assumed this proposal creates the "Public Safety Recruitment and Retention Fund" to support public safety tuition awards. This fund does not have a dedicated source; transfers from General Revenue would be subject to appropriation. There are no limits on awards and is subject to appropriation. There is no direct impact on Total State Revenues.

Officials from the **Department of Public Safety – Directors Office (DPS-DO)** assume the proposal will have no fiscal impact on their organization.

The DPS provided the current number of commissioned peace officers (law enforcement officer) count in the table below.

Full-time Peace Officers	14,307
Reserve Peace Officers	1,568
Officers Not Working and Not Expired	7,833
Active Agencies	597
Firefighters	22,000

§173.2660 - provisions for "Public Safety Recruitment and Retention Act"

Officials from **DHEWD** assume section 173.2660 requires the recipients of this award to remain in the state for five years and provide tax documentation to the department. For those who fail to remain in Missouri or file taxes over this five-year period, the grant would convert to a loan, which would require repayment. The department would need to contract with a loan servicer to handle this repayment and estimates that initial costs include at least \$20,000 in set up fees, and that ongoing costs would include \$25 per loan for onboarding and \$3.50 per loan per month servicing fee. Beyond the initial set up fees, these costs will not be immediate and will only be incurred later in the life of the program.

Oversight notes the servicer of the loans shall be the **Missouri Higher Education Loan Authority (MOHELA)** of the State of Missouri. However, without a response from MOHELA, Oversight will reflect the estimated impact by DHEWD in the fiscal note of \$20,000 in FY 2027 for loan servicing set up fee and a zero (no repayments) or unknown cost starting in FY 2028.

Oversight notes, if a recipient of the award does not remain a Missouri resident for five years after accepting the award and does not garnish tax returns the recipient agreed that the award would be treated as a loan. Therefore, Oversight assumes repayment of the award through this loan process will result in a income to the Public Safety Recruitment and Retention Fund as \$0 to Unknown as it is unclear how many award recipients would be in violation.

In response to similar legislation from this year, Perfected SS for SCS for SB 71, officials from **Department of Corrections (DOC)** assumed per 67.145 of RMSo the definition of first responder does not include DOC.

In response to similar legislation from this year, Perfected SS for SCS for SB 71, officials from the **Office of the State Treasurer** assumed that there will be no fiscal impact. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

§287.243 – Line of Duty Compensation Act

In response to similar legislation from this year, HCS for HB 72, officials from the **Department of Corrections (DOC)** deferred to the OA for the potential fiscal impact of this proposal.

In response to similar legislation from this year, HCS for HB 72, officials from the **Department of Public Safety – Director’s Office (DPS – DO)** deferred to the DOLIR for the potential fiscal impact of this proposal.

Officials from **Department of Labor and Industrial Relations (DOLIR)** state this section would make changes to the Line of Duty Compensation Fund and program. This language adds 'illness' as a covered compensable condition as well as increasing the amount payable from \$25,000 to \$100,000. Division of Worker's Compensation expects an increased requirement to General Revenue due to the increased claims amount. Expected increase is between \$200,000 and \$400,000 including the cost-of-living increase based on the consumer price index.

Oversight notes, based on information requested for a Sunset Review (2024), DOLIR provided the following information related to line of duty compensation claims paid for fiscal years FY 2019 through FY 2024, as shown in the table below:

Fiscal Year	Total Claims	Total Paid
2019	8	\$200,000
2020	6	\$150,000
2021	10	\$250,000
2022*	24	\$600,000
2023	8	\$200,000
2024	6	\$150,000
Total	62	\$1,550,000

*Seventeen of the 24 payments were due to COVID-19.

DOLIR further stated that while there are no outstanding claims at this time, there are currently five cases on appeal. Additionally, four (4) pending cases for FY 2025 have been received to date.

Officials from the **Office of Administration (OA)** state §287.243.3 increases the workers' compensation benefit for the death of a public safety officer killed in the line of duty from \$25,000 to \$100,000. This would increase expenses to the state in workers' compensation cases where such benefits are due. Potential costs to the state are unknown; as, it would depend on the facts and circumstances of each case.

Oversight notes it is unknown how many individuals may be killed in the line of duty in any particular year; however, the annual average has been 8 $[(8+6+10+6+8) / 5]$ excluding FY 2022, due to the increase in COVID related deaths. Currently, the amount of compensation per

claimant is \$25,000. This proposal increases the payout to \$100,000. Oversight estimates the increased cost at \$600,000 (8 claimants times \$75,000) per year beginning in FY 2026.

Oversight notes the compensation shall be adjusted annually by the percent increase in the Consumer Price Index. Assuming 2% inflation per year, Oversight estimates the following impact for FY 2027 and FY 2028 respectively \$612,000 and \$624,240.

In response to similar legislation from this year, HCS for HB 72, officials from the **Joplin School District** 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 for these agencies.

In response to similar legislation from this year, HCS for HB 72, officials from the **Northwest Missouri State University** assumed that if there is a death while on duty, or a death while the first responder is going to or from work, there would have a fiscal impact to the University and Workers Compensation Carrier. The amount would vary depending on the number of dependents.

Oversight notes we are responsible for providing a Sunset Report pursuant to Section 23.253 RSMo and will be able to absorb the cost with the current budget authority.

§574.207 – Offense of interference with a first responder

In response to similar legislation from this year, SB 669, officials from the **Office of Attorney General (AGO)** assumed any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

Oversight notes the provisions of §574.207.2 provide that a person who interferes with a first responder is guilty of a class A misdemeanor. Class A misdemeanors carry a penalty of \$2,000 for each offense in addition to any individual county/municipal fees and court costs. The fine revenue for the offense goes to local school funds and court costs go to various state and local funds. Oversight assumes there will be some (less than \$250,000) amount of fine revenue from violations of the statute. Therefore, the impact to various state funds and local governments will be presented as less than \$250,000. For simplicity, Oversight will not reflect the possibility that fine revenue paid to school districts may act as a subtraction in the foundation formula.

Below are examples of some of the state and local funds which court costs are distributed:

Fee/Fund Name	Fee Amount
Basic Civil Legal Services Fund	\$8.00
Clerk Fee	\$15.00 (\$12 State/\$3 County)
County Fee	\$25.00
State Court Automation Fund	\$7.00
Crime Victims' Compensation Fund	\$7.50
DNA Profiling Analysis Fund	\$15.00
Peace Officer Standards and Training (POST) Fund	\$1.00
Motorcycle Safety Trust Fund	\$1.00
Brain Injury Fund	\$2.00
Independent Living Center Fund	\$1.00
Sheriff's Fee	\$10.00 (County)
Prosecuting Attorney and Circuit Attorney Training Fund	\$4.00
Prosecuting Attorney Training Fund	\$1.00 (\$0.50 State/\$0.50 County)
Spinal Cord Injury Fund	\$2.00

Responses regarding the proposed legislation as a whole

Officials from the **Office of Administration - Administrative Hearing Commission**, the **Department of Commerce and Insurance**, the **Department of Elementary and Secondary Education**, the **Department of Health and Senior Services**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Corrections**, the **Department of Public Safety (Division of Alcohol and Tobacco Control, Capitol Police, Fire Safety, Office of the Director, Missouri Gaming Commission, Missouri Highway Patrol, Missouri Veterans Commission, State Emergency Management Agency)**, the **Department of Social Services**, the **Missouri Department of Conservation**, the **Missouri Department of Transportation**, the **MoDOT & Patrol Employees' Retirement System**, **Kansas City**, the **Phelps County Sheriff's Office**, the **Branson Police Department**, the **Kansas City Police Department**, the **St. Louis County Police Department**, the **University of Central Missouri**, the **Oversight Division**, the **Missouri Lottery Commission**, the **Missouri Consolidated Health Care Plan** and the **Missouri Office of Prosecution Services** 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.

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.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2031)
GENERAL REVENUE FUND				
<u>Costs</u> – DHEWD– Loan servicing - §173.2660 p. 12	\$0	(\$20,000)	\$0 or (Unknown)	\$0 to (Unknown)
<u>Costs</u> – DHEWD/ITSD – FAMOUS changes/updates - §173.2655 p. 10	(\$166,698)	(\$34,173)	(\$35,027)	(\$37,720)
<u>Costs</u> – DHEWD (§173.2655)				
Personnel Service	(\$36,550)	(\$44,737)	(\$45,632)	(\$48,426)
Fringe Benefits	(\$27,809)	(\$33,723)	(\$34,081)	(\$35,201)
Expense & Equipment	(\$5,399)	\$0	\$0	\$0
ITSD ongoing costs	(\$4,495)	(\$4,495)	(\$4,495)	(\$4,495)
<u>Total Costs</u> – DHEWD (§173.2655)	(\$74,253)	(\$82,955)	(\$84,208)	(\$88,122)
FTE Change	1 FTE	1 FTE	1 FTE	1 FTE
<u>Transfer out</u> – DHEWD - Public Safety Recruitment and Retention Fund (§173.2655) p. 10-11	\$0	\$0 or More or less than (\$630,202)	\$0 or More or less than (\$1,323,384)	\$0 or More or less than (\$3,818,622)
<u>Costs</u> - §287.243 – Increase claims amount for Line of Duty Compensation p. 13-14	(\$600,000)	(\$612,000)	(\$624,240)	Could exceed (\$624,240)

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2031)
<u>Costs</u> – DOR (§301.551) p. 4	\$0 to...	\$0 to...	\$0 to...	\$0 to could exceed
Personal service	(\$77,412)	(\$94,752)	(\$96,647)	(\$96,647)
Fringe benefits	(\$57,347)	(\$69,561)	(\$70,320)	(\$70,320)
Equipment and expense	(\$20,990)	\$0	\$0	\$0
Contract programming costs	(\$67,318)	\$0	\$0	\$0
Total <u>Costs</u> - DOR	(\$223,067)	(\$164,313)	(\$166,967)	(\$166,967)
FTE Change - DOR	0 to 2 FTE	0 to 2 FTE	0 to 2 FTE	0 to 2 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(Unknown, more or less than \$1,064,018)</u>	<u>(Unknown, more or less than \$1,543,643)</u>	<u>(Unknown, more or less than \$2,233,826)</u>	<u>(Unknown, more or less than \$4,735,671)</u>
Estimated Net FTE Change on the General Revenue Fund	1 to 3 FTE	1 to 3 FTE	1 to 3 FTE	1 to 3 FTE
VARIOUS STATE FUNDS				
<u>Revenue</u> – (§574.207) Court costs p. 14	<u>Less than \$250,000</u>	<u>Less than \$250,000</u>	<u>Less than \$250,000</u>	<u>Less than \$250,000</u>
ESTIMATED NET EFFECT ON VARIOUS STATE FUNDS	<u>Less than \$250,000</u>	<u>Less than \$250,000</u>	<u>Less than \$250,000</u>	<u>Less than \$250,000</u>
PUBLIC SAFETY RECRUITMENT AND RETENTION FUND				
<u>Transfer in</u> – from General Revenue to Public Safety Recruitment and Retention Fund (§173.2655) p. 10-11	\$0	\$0 or More or less than \$630,202	\$0 or More or less than \$1,323,384	\$0 or More or less than \$3,818,622

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2031)
<u>Income</u> – Award repayment for violation of conditions - (§173.2655) p. 12	\$0	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Income</u> – gifts, donations, Bequests (§173.2655) p. 9-12	\$0	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Transfer out</u> – Distributions of tuition awards from Public Safety Recruitment and Retention Fund (§173.2655) p. 10-11	\$0	\$0 or More or less than (\$630,202)	\$0 or More or less than (\$1,323,384)	\$0 or More or less than (\$3,818,622)
ESTIMATED NET EFFECT ON PUBLIC SAFETY RECRUITMENT AND RETENTION FUND	<u>\$0</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
COLLEGES AND UNIVERSITIES				
<u>Income</u> – Tuitions awards from Public Safety Recruitment and Retention Fund (§173.2655) p. 10-11	\$0	\$0 or More or less than \$630,202	\$0 or More or less than \$1,323,384	\$0 or More or less than \$3,818,622
ESTIMATED NET EFFECT ON COLLEGE AND UNIVERSITIES	<u>\$0</u>	<u>\$0 or More or less than \$630,202</u>	<u>\$0 or More or less than \$1,323,384</u>	<u>\$0 or More or less than \$3,818,622</u>
CRIMINAL RECORDS SYSTEM FUND (0671)				
<u>Income</u> – MHP (§301.551) – fingerprint background check fees p. 7	<u>\$0 to Could exceed \$176,000</u>	<u>\$0 to Could exceed \$176,000</u>	<u>\$0 to Could exceed \$176,000</u>	<u>\$0 to Could exceed \$176,000</u>

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2031)
ESTIMATED NET EFFECT ON THE CRIMINAL RECORDS SYSTEM FUND	<u>\$0 to Could exceed</u> <u>\$176,000</u>	<u>\$0 to Could exceed</u> <u>\$176,000</u>	<u>\$0 to Could exceed</u> <u>\$176,000</u>	<u>\$0 to Could exceed</u> <u>\$176,000</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2031)
LOCAL POLITICAL SUBDIVISIONS				
<u>Revenue – (\$574.207) Court costs p. 14</u>	Less than \$250,000	Less than \$250,000	Less than \$250,000	Less than \$250,000
<u>Revenue – Schools (\$574.207) Fine revenue p. 14</u>	Less than \$250,000	Less than \$250,000	Less than \$250,000	Less than \$250,000
<u>Cost - §§57.010 & 57.530 – St. Louis City Sheriff’s Office – to increase deputy salaries to \$50k per year p. 9</u>	(More or Less than \$1,666,667)	(More or Less than \$2,000,000)	(More or Less than \$2,000,000)	(More or Less than \$2,000,000)
<u>Cost – Sheriff’s Retirement System - proportional increase in fringe benefit costs with an increase in salary for St. Louis City Sheriff Deputies §§57.010 & 57.530 p. 9</u>	(Unknown)	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>(Unknown, More or Less than</u> <u>\$1,166,667)</u>	<u>(Unknown, More or Less than</u> <u>\$1,500,000)</u>	<u>(Unknown, More or Less than</u> <u>\$1,500,000)</u>	<u>(Unknown, More or Less than</u> <u>\$1,500,000)</u>

FISCAL IMPACT – Small Business

This proposal will impact small businesses that are required to have background checks performed before receiving licenses to operate. In addition, should any new or existing small businesses be unable to pass the state or federal criminal record check, they would be unable to do business in Missouri. (§301.551)

FISCAL DESCRIPTION

§§43.546, 190.106, 210.487, 301.551 and 335.022 – Background checks for certain applicants
This bill modifies provisions related to criminal background checks.

The bill provides that the specified entities may require applicants seeking various licenses or permits to submit fingerprints to the Missouri State Highway Patrol for the purpose of undergoing state and federal criminal background checks.

The fingerprints and any required fees will be sent to the MSHP central repository and will be forwarded to the Federal Bureau of Investigation. The MSHP will notify the respective agency, board, or other oversight body of their applicants' criminal history or lack thereof.

§§57.010 & 57.530 – Sheriff of the City of St. Louis

Currently, sheriffs other than the sheriffs of the City of St. Louis and of St. Louis County are required to hold a valid peace officer license to be eligible to hold the office of sheriff. This bill repeals the provision excluding the sheriff of the City of St. Louis, thus requiring him or her to have a valid peace officer license to qualify to be sheriff.

The bill also requires the annual compensation for sheriffs' deputies in the City of St. Louis to be at least \$50,000, and it requires the sheriff to fix the compensation for deputy assistants.

§173.2655 - Public Safety Recruitment and Retention Act

This act establishes the "Public Safety Recruitment and Retention Act" to provide college tuition awards for certain public safety personnel and their legal dependents. The act defines "public safety personnel" as including any police officer, firefighter, paramedic, telecommunicator first responder, emergency medical technician, or advanced emergency medical technician who is trained and authorized by law or rule to render emergency medical assistance or treatment. Subject to appropriation, donations and gifts, public safety personnel with at least six years of service shall be entitled to an award worth up to 100% of the resident tuition charges, including fees, of a public institution of higher education located in Missouri if they present to the Department of Higher Education and Workforce Development (DHEWD) verification of their current, valid license in a profession specified in the act, along with a certificate of verification signed by their employer verifying that they are employed full-time as public safety personnel. Such individuals shall also meet all admission requirements of the public institution of higher education and pursue an associate or baccalaureate degree in an academic subject specified in the act. Individuals who have already earned a baccalaureate degree are ineligible to use the tuition award to earn another degree. Each year an individual applies for and receives a tuition award, he or she shall file with DHEWD documentation showing proof of employment and proof of residence in Missouri. Additionally, an applicant for a tuition award shall first apply for all other forms of federal and state student financial aid, including filing a Free Application for Federal

Student Aid and, if applicable, applying for financial assistance under the G.I. Bill. (Section 173.2655)

The legal dependent of public safety personnel with at least ten years of service is also eligible for a tuition award if he or she executes an agreement with the public institution of higher education outlining the terms and conditions of the tuition award, including the legal dependent's commitment to reside in Missouri for the next five years, as well as a commitment to provide a copy of his or her state income tax return annually to DHEWD in order to prove residency in Missouri. The agreement shall also include a provision that if the tuition award recipient fails to provide proof of residency in Missouri for the five-year period following the use of the tuition award, the tuition award shall be treated as a loan to such recipient, with the Missouri Higher Education Loan Authority as the loan servicer, as provided in the act. Finally, the agreement shall provide that any residency, filing, or payment obligation incurred by the tuition award recipient under the act is canceled in the event of the tuition award recipient's total and permanent disability or death.

The five-year residency requirement for a legal dependent who receives a tuition award begins once the legal dependent applies for and receives the tuition award and continues until the tuition award recipient (a) completes the five-year tuition award eligibility period, (b) completes a baccalaureate degree, (c) completes an associate degree and notifies DHEWD that he or she does not intend to pursue a baccalaureate degree or additional associate degree using tuition awards, or (d) notifies DHEWD that he or she does not plan to use additional tuition awards.

The legal dependent shall satisfy certain other criteria to be eligible for a tuition award. The legal dependent shall not have previously earned a baccalaureate degree, and he or she shall meet all admission requirements of the public institution of higher education he or she wishes to attend. The legal dependent shall also file a Free Application for Federal Student Aid and, if applicable, apply for financial assistance under the G.I. Bill, as well as providing verification of the public safety personnel's eligibility for the tuition award to DHEWD, as provided in the act. (Sections 173.2655 and 173.2660)

Public safety personnel and their legal dependents may receive a tuition award for up to five consecutive years if they otherwise continue to be eligible. The five years of eligibility starts once the individual applies for and receives the tuition award for the first time. DHEWD shall grant an award worth up to 100% of the individual's tuition remaining due after subtracting awarded federal financial aid grants and state scholarships and grants. An application for a tuition award shall include a verification of the public safety personnel's satisfaction of the requirements of the act, including proof of full-time employment and residency status. Public safety personnel shall include such verification when they or their legal dependents are applying to DHEWD for a tuition award.

The death of public safety personnel in the line of duty shall not disqualify an individual's otherwise eligible legal dependent from receiving the tuition award. In such a case, in lieu of submitting verification of the public safety personnel's employment, the legal dependent shall

submit a statement attesting that, at the time of death, the public safety personnel satisfied the requirements of the act, and such individual died in the line of duty, as described in the act. DHEWD shall provide a tuition award to an eligible applicant for the award who applies for an "open seat", defined in the act as a vacant position in a class, course, or program that is available for enrollment. DHEWD shall not provide a tuition award if doing so would require a public institution of higher education to create additional seats exceeding program capacity.

Applications for tuition awards shall be submitted to DHEWD no later than December 15th annually. No later than March 1st annually, DHEWD shall send written notice of the applicant's eligibility or ineligibility for the tuition award and state whether the application has been approved or denied. If the applicant is determined not to be eligible for the tuition award, the notice shall include the reason or reasons for such determination. If the application is denied, the notice shall include the reason or reasons for the denial.

The Public Safety Recruitment and Retention Fund is created for purposes of granting tuition awards as provided in the act. In the event that funds are insufficient to provide tuition awards for all eligible applicants, public safety personnel shall be in the first class of applicants to receive the awards, and dependents shall be in the second class, in a priority order specified in the act.

The tuition awards provided for in this act are subject to appropriation and the fund could receive donations gifts and bequests. If there are no moneys in the Fund, no tuition awards shall be granted.

§287.243 – Line of Duty Compensation Act

This bill increases the line of duty compensation benefit paid to a claimant from the current amount of \$25,000 to \$100,000, subject to appropriation, for deaths occurring on or after August 28, 2025. Beginning in 2026, the amount of compensation benefits are adjusted annually by the percent increase in the Consumer Price Index for All Urban Consumers, as reported by the United States Department of Labor. The annual adjustment would not decrease the compensation benefit paid to a claimant to less than \$100,000.

§574.207 – Offense of interference with a first responder

This act creates the offense of interference with a first responder, which shall be a class A misdemeanor. A person commits the offense when a person has received a verbal warning not to approach from a first responder who is engaged in the lawful performance of a legal duty and the person knowingly and willfully violates the verbal warning and approaches within 25 feet with the intent to:

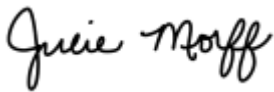
- (1) Impede or interfere with the first responder's ability to perform his or her legal duty;
- (2) Threaten the first responder with physical harm; or
- (3) Engage in conduct directed at a first responder that intentionally causes emotional distress and serves no legitimate purpose.

SOURCES OF INFORMATION

Attorney General's Office
Office of Administration
 Administrative Hearing Commission
 Budget and Planning
 Office of the Commissioner
Department of Commerce and Insurance
Department of Elementary and Secondary Education
Department of Higher Education and Workforce Development
Department of Health and Senior Services
Department of Mental Health
Department of Natural Resources
Department of Corrections
Department of Revenue
Department of Public Safety –
 Alcohol and Tobacco Control
 Capitol Police
 Fire Safety
 Director's Office
 Missouri Gaming Commission
 Missouri Highway Patrol
 Missouri Veterans Commission
 State Emergency Management Agency
Department of Social Services
Missouri Department of Conservation
Missouri Department of Transportation
MoDOT & Patrol Employees' Retirement System
Office of the Secretary of State
Office of the State Public Defender
Office of the State Treasurer
Missouri Lottery Commission
City of Kansas City
Branson Police Department
Kansas City Police Department
Springfield Police Department
St. Louis County Police Department
Northwest Missouri State University
University of Central Missouri
Joint Committee on Administrative Rules
Missouri Consolidated Health Care Plan
Missouri Office of Prosecution Services
Office of the State Courts Administrator
Department of Labor and Industrial Relations

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Bill No. SCS for HB 225
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O'Fallon
Phelps County Sheriff's Office
St. Joseph Police Department
Sheriff's Retirement System
City of St. Louis
University of Missouri System
Oversight Division
Joplin School District



Julie Morff
Director
April 22, 2025



Jessica Harris
Assistant Director
April 22, 2025