

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1735H.02C
 Bill No.: HCS for HB 606
 Subject: Higher Education; Department of Economic Development; Department of Higher Education and Workforce Development
 Type: Original
 Date: February 21, 2025

Bill Summary: This proposal modifies provisions relating to the Department of Higher Education and Workforce Development.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

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

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on FTE	0	0	0

- 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
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§23.295, 160.575, 173.005, 173.2565, 173.2566, 173.2570, 173.2571, 173.2572, 178.550, 178.585, 186.019, 288.040, 620.010, and 620.515 – Modifies duties of the Department of Higher Education and Workforce Development

Officials from the **Department of Economic Development, Department of Elementary and Secondary Education, Department of Higher Education and Workforce Development, Department of Natural Resources, Department of Labor and Industrial Relations, Department of Revenue, Department of Public Safety-Veterans Commission, Department of Social Services, Missouri Department of Conservation, Missouri National Guard, Office of Administration, and Office of the State Treasurer** 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 **University of Central Missouri, Northwest Missouri State University, and University of Missouri** 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.

In response to a previous version, officials from **Concordia R-II School District** 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.

Oversight notes section §620.515 removes the “5-year period” following discharge from deployment limitation relating to when the primary income earner is on active duty for the National Guard for the Show-Me Heroes program.

The Department of Higher Education and Workforce Development (DHEWD), Office of Workforce Development (OWD) administers employment and training programs authorized and funded by the federal government. The funds are provided to carry out programs required by the Workforce Innovation and Opportunity Act (WIOA), the Wagner-Peyser Act, the Trade Adjustment Assistance Act, Veterans' Employment and Training Services, and other federal employment and training programs that complement the state workforce system. This core also includes funding for the Show-Me Heroes Program which promotes the hiring of veterans and provides on-the-job training opportunities to military and National Guard members returned from deployment or separated from active duty. The program is subject to appropriation.

The DHEWD, OWD’s 2026 budget request of approximately \$16.4 million includes funding for this program, including \$500,000 in Federal funds for the Show-Me Heroes Program (Fund 0995).

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
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

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

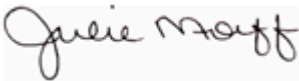
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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 Economic Development
Department of Elementary and Secondary Education
Department of Higher Education and Workforce Development
Department of Natural Resources
Department of Labor and Industrial Relations
Department of Revenue
Department of Public Safety-Veterans Commission
Department of Social Services
Missouri Department of Conservation
Missouri National Guard
Office of Administration
Office of the State Treasurer
University of Missouri
Concordia R-II
University of Central Missouri
Northwest Missouri State University



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February 21, 2025



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February 21, 2025