

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3070H.02I  
 Bill No.: HB 1527  
 Subject: Higher Education; Department of Higher Education and Workforce Development;  
 Medical Procedures and Personnel  
 Type: Original  
 Date: March 10, 2025

Bill Summary: This proposal modifies provisions governing the "Fast Track Workforce Incentive Grant".

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue*	\$0 or More or less than (\$769,250)	\$0 or More or less than (\$807,713)	\$0 or More or less than (\$848,099)
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0 or More or less than (\$769,250)</b>	<b>\$0 or More or less than (\$807,713)</b>	<b>\$0 or More or less than (\$848,099)</b>

\* Oversight notes the bill adds public safety personnel and personnel's dependents to the eligible students with an exemption from the Adjusted Gross Income requirements for the Fast Track Workforce Incentive Grant. Program is subject to appropriation. If changes to the program are not funded, the impact will be \$0.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Fast Track Workforce Incentive Grant*	\$0	\$0	\$0
College and Universities	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>

\*Transfers-in and distributions net to zero.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</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 2026</b>	<b>FY 2027</b>	<b>FY 2028</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 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Local Government</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### Section 173.2553 - Exemptions for Public Safety Personnel

Officials from **Department of Higher Education and Workforce Development** assume this legislation modifies section 173.2553, by exempting public safety personnel (dispatchers, EMTs, fire fighters, paramedics, and police officers) from the Adjusted Gross Income requirements for the Fast Track Workforce Incentive Grant, which covers tuition and fees for certain eligible programs.

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). Fast Track is an adult serving program, primarily for those 25 years or older. According to the best available data, from Zippia.com, just over 60 percent of public safety personnel are over the age of 30, and would be eligible for Fast Track, and 47.5 percent have below a bachelor's degree. While salary information is difficult to find for public safety personnel, data from Statistical Atlas (<https://statisticalatlas.com/state/Missouri/Household-Income#overview>) indicates that approximately 69.1 percent of Missouri households have an income of \$75,000 or less. By removing the AGI requirement for public safety personnel, they would add 21 percent of households who may not have otherwise been eligible for Fast Track. Assuming a three percent utilization rate (which is the percentage of Missourians age 25-64 enrolled in postsecondary education) for those meeting the eligibility criteria, the department estimates that **52 individuals** would be eligible (29,050 \* 60.2 percent with eligible service \* 47.5 percent below a bachelor's degree \* 21 percent now eligible by removing AGI requirements \* 3 percent utilization).

Additionally, this allows the dependents of public safety personnel to be exempted from the AGI requirements of 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 a three percent utilization rate to spouses of public safety personnel, and adding the 21 percent that are now eligible by removing the AGI requirement, would result in **66 eligible spouses** (29,050 \* 53 percent that are married \* 68 percent below a bachelor's degree \* 21 percent now eligible by removing AGI requirements \* three percent utilization).

Further, Pew Research estimates that 19 percent of families have children, and the average family size is 1.9 children. Fast Track allows participation for those below the age of 25, as long as they have been out of school for two years. Roughly 6 percent of the population are 20-24, of which 80 percent will stay in state and 60 percent will attend a public postsecondary institution. Applying the 21 percent qualifier, this results in **63 eligible children** (29,050 \* 19 percent with children \* 1.9 children \* 6 between the ages of 20-24 \* 80 percent staying in-state \* 60 percent

attending a public college or university \* 21 percent now eligible by removing AGI requirements).

This results in **181 individuals** eligible for the award. Applying the average Fast Track award from FY 2024 of \$4,250, the fiscal impact for FY 2026 will be between zero and \$769,250. Assuming a five percent annual increase in tuition and fees, the department estimates the fiscal impact for FY 2027 to be between zero and \$807,713 and for FY 2028 to be between zero and \$848,099.

**Oversight** notes, as provided in DHEWD’s 2025 Budget Request, the Fast Track Workforce Incentive Grant was created by Senate Bill 68 (2019) and provides assistance to adults who are seeking to upgrade or retool their skills in order to enter high demand, high wage occupations. Amendments to the program in Senate Bill 672 (2022) increased the number of eligible training providers, expanded the grant to apprenticeships, and removed the loan-related requirements. Students in programs or apprenticeships in an area designated by the Coordinating Board for Higher Education as preparing individuals to enter these occupations and leading to receipt of a certificate, degree, or industry-recognized credential are eligible. Students must be enrolled at least half-time and apprentices must be actively participating in an eligible apprenticeship to be eligible for the grant. Awards under the program cover the amount of tuition and fees remaining after all other governmental non-loan student assistance is applied or, for apprentices, the amount of related educational costs. For students, if all tuition and fee costs are covered by other aid, the award is up to \$500 per term or the remaining cost of attendance, whichever is lower. In FY 2024 the average award was \$4,250.

**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 notes the Fast Track Incentive Grant is subject to appropriations and will present costs to GR and the corresponding transfer to the Fast Track Workforce Incentive Grant Fund as \$0 to the amount provided by DHEWD as more or less than in the fiscal note. Oversight further assumes transfers-ins and grants provided will net to \$0.

Percentage utilization/ individuals eligible	Cost
1% / 147	\$624,750
2% / 164	\$697,000
<b>3% / 181</b>	<b>\$769,250</b>
6% / 233	\$990,250
9% / 285	\$1,211,250
12% / 337	\$1,432,250

Officials from the **University of Missouri** and **University of Central Missouri** assume the proposal will have no fiscal impact on their respective organizations.

**Oversight** assumes based on past years the average assistance from the grant will be near \$4,250. However, it is unknown how many participants will take advantage of the proposed program so Oversight will reflect to zero to more or less than income estimated by DHEWD to the colleges, universities, and community colleges.

**Oversight** assumes colleges and universities, as well as community colleges, that provide certificates, or apprentice programs or industry-recognized credentials will have a positive fiscal impact as a result of this proposal. However, since the Fast Track Workforce Incentive Grant is subject to appropriation, Oversight will range the income from zero to more or less than estimated by DHEWD.

**Oversight** received limited responses from Colleges or Community Colleges related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>GENERAL REVENUE</b>			
<u>Transfer out – DHEWD - Fast Track Workforce Incentive Grant - §173.2553 p.4</u>	\$0 or More or less than <u>(\$769,250)</u>	\$0 or More or less than <u>(\$807,713)</u>	\$0 or More or less than <u>(\$848,099)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b>\$0 or More or less than <u>(\$769,250)</u></b>	<b>\$0 or More or less than <u>(\$807,713)</u></b>	<b>\$0 or More or less than <u>(\$848,099)</u></b>
<b>FAST TRACK WORKFORCE INCENTIVE GRANT FUND</b>			
<u>Transfer in – from General Revenue Fund- §173.2553 p.4</u>	\$0 or More or less than \$769,250	\$0 or More or less than \$807,713	\$0 or More or less than \$848,099
<u>Transfer Out - Distributions of grants §173.2553 p.4</u>	\$0 or More or less than <u>(\$769,250)</u>	\$0 or More or less than <u>(\$807,713)</u>	\$0 or More or less than <u>(\$848,099)</u>
<b>ESTIMATED NET EFFECT ON FAST TRACK WORKFORCE INCENTIVE GRANT FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>COLLEGE AND UNIVERSITIES</b>			
<u>Income – more eligible students for grant - §173.2553 p.4</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
<b>ESTIMATED NET EFFECT ON COLLEGE AND UNIVERSITIES</b>	<b><u>\$0 or Unknown</u></b>	<b><u>\$0 or Unknown</u></b>	<b><u>\$0 or Unknown</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Income</u> - more eligible students for grant – community colleges - §173.2553 p.4	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>\$0 or Unknown</u></b>	<b><u>\$0 or Unknown</u></b>	<b><u>\$0 or Unknown</u></b>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill defines "public safety personnel" to include any police officer, firefighter, paramedic, emergency medical dispatcher, emergency medical technician, or advanced emergency medical technician who is trained and authorized by law or rule to render emergency medical assistance or treatment.

The current "Fast Track Workforce Incentive Grant" provides grants for tuition and fees for eligible students meeting specific eligibility and income requirements. The bill adds public safety personnel and personnel's dependents to the eligible students without income restrictions.

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

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SOURCES OF INFORMATION

Department of Higher Education and Workforce Development

University of Missouri

University of Central Missouri



Julie Morff

Director

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Jessica Harris

Assistant Director

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