

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4133H.04C
 Bill No.: HCS for HB 3332
 Subject: Higher Education; Law Enforcement Officers and Agencies; Fire Protection; Health Care Professionals
 Type: Original
 Date: March 30, 2026

Bill Summary: This proposal modifies provisions relating to employment benefits for first responders.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2033)
General Revenue*/**	\$0	\$0 or (Up to \$83,181)	\$0 or (Up to \$87,340)	(More or less than \$906,162)
Total Estimated Net Effect on General Revenue	\$0	\$0 or (Up to \$83,181)	\$0 or (Up to \$87,340)	(More or less than \$906,162)

*The Public Safety Recruitment and Retention Act is subject to appropriation. If changes to the program are not funded, the impact will be \$0.

**Oversight notes this act extends the sunset, from its original end date, December 31, 2031 (FY 2032) and will be fully implemented beginning FY 2033.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2033)
Public Safety Recruitment and Retention Fund*	\$0	\$0	\$0	\$0
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0	\$0

*Increase in appropriations transferred-in and grants provided net to \$0.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2033)
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 2027	FY 2028	FY 2029	Fully Implemented (FY 2033)
Total Estimated Net Effect on FTE	0	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 2027	FY 2028	FY 2029	Fully Implemented (FY 2033)
Local Government	\$0	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§173.2655 – The Public Safety Personnel Recruitment and Retention Act

Officials from the **Department of Higher Education and Workforce Development (DHEWD)** state that this legislation amends §173.2655, known as the “Public Safety Recruitment and Retention Act,” by adding air ambulance pilots, air ambulance paramedics, and air ambulance nurses as additional occupational classifications to the definition of public safety personnel. The Public Safety Recruitment & Retention scholarship covers the cost of tuition and fees for qualifying public safety personnel at Missouri postsecondary institutions after working for 6 years, and for their dependents after working 10 years. The legislation also allows participation at non-profit, private institutions that agree to the provisions of the program statute.

While data on the number of air ambulance pilots, paramedics, and nurses is scarce, there are 13 air ambulance service providers in the state of Missouri (12 listed with the Bureau of EMS license management, and the MU Healthcare system), and information online suggests that Cox Air Care has 8 full-time air ambulance pilots, 12 full-time air ambulance paramedics, and 12 full-time air ambulance nurses. Assuming these numbers are typical across all providers, the department estimates this will result in 416 eligible air ambulance staff $((8+12+12)*13)$.

Although the legislation limits this award to those with at least six years of service, the best available data, from Zippia.com, indicates that 44 percent of public safety personnel 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 (which is the enrollment rate for adult students over the age of 25), the department estimates that 2 additional individuals would be eligible $(416 * 44.2 \text{ percent with eligible service} * 46.7 \text{ percent below a bachelor’s degree} * 3 \text{ percent utilization})$.

Additionally, this allows the dependents of public safety personnel, who have at least 10 years of service (19 percent), to receive this grant, which would include children (who qualify as dependents on the FAFSA). Further, there are an estimated 1.4 children per household, of which roughly 9.5 percent are 18-24, of which 80 percent will stay in state and 60 percent will attend a participating postsecondary institution, resulting in 3 eligible children $(416 * 19 \text{ percent with 10 years of service} * 1.4 \text{ dependents} * 9.5 \text{ percent of college going age} * 80 \text{ percent staying in-state} * 60 \text{ percent attending a participating college or university})$.

The department estimates that these changes will result in 8 additional individuals eligible for the award (3 additional public safety personnel and 5 additional dependents). If the DHEWD assumes that roughly 32 percent attend community colleges (where tuition and fees are estimated to average \$5,860 a year for full-time students during the 2027-28 academic year) and 68 percent attend a public four-year institution (where tuition and fees are estimated to average \$13,120 a year for full-time students in 2027-28), the total cost to fund these additional students is \$83,181.

Because these individuals have been working in their positions at least six years, the department does not believe they would likely be Pell or Fast Track eligible, and only a negligible amount would be eligible to receive a small Access Missouri award.

The department estimates that there will be no fiscal impact for FY 2027 because the deadline to apply for the 2026-27 academic year has passed. The department estimates the changes to impact applicants in FY 2028 and estimates the fiscal impact to be between zero and \$83,181. Assuming an annual inflationary increase of five percent per year, and an increase in participation of 7.5 percent, the costs for FY 2029 would range from zero to \$87,340.

Oversight has no information to the contrary. Therefore, Oversight will present the fiscal impact of this proposal as provided by DHEWD. Oversight notes that the Public Safety Recruitment and Retention Act is subject to appropriations and will present costs to General Revenue and the corresponding transfer to the Public Safety Recruitment and Retention Fund as \$0 or up to the amounts provided by DHEWD in FY 2028 and FY 2029. Oversight further assumes transfer-ins and grants provided will net to \$0.

§287.243 – Removal of the Sunset Provisions from the “Line of Duty Compensation Act”

In response to similar legislation, HB 2566 (2026), officials from the **Office of Administration - Administrative Hearing Commission, Department of Public Safety - Missouri Highway Patrol, Missouri National Guard, and Office of Administration** each 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 respective agencies.

In response to similar legislation, HB 2566 (2026), officials **University of Missouri System and City of O’Fallon** each 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 respective organizations.

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.

Oversight notes the number of individuals killed in the line of duty in any given year is unknown; however, the five-year average, excluding FY 2022 due to elevated COVID-related deaths, is approximately 8 deaths annually $[(8 + 6 + 10 + 6 + 8) / 5]$. Currently, the amount of compensation per claimant is \$100,000.

Oversight notes this act extends the sunset, from its original end date, December 31, 2031 (FY 2032). Therefore, Oversight will reflect a continuous cost that could be more or less the average expenditure of \$800,000 (8 average claim per year x \$100,000) annually, beginning FY 2033.

Responses regarding the proposed legislation as a whole

Officials from the **Northwest Missouri State University (NMSU)** assume that the proposed legislation will have a minor fiscal impact and that an individual in financial aid would need to be formally assigned as the required liaison and would likely create an administrative and workload impact

Officials from the **University of Central Missouri** assume that the proposed legislation will have an indeterminate fiscal impact but did not provide any additional information.

Oversight assumes that this proposal is an expansion of an existing program and will not affect colleges and universities. Oversight further assumes that any administrative costs to colleges and universities can be absorbed and will show no impact for fiscal note purposes.

In response to a previous version, officials from the **Eastern Clay Ambulance District** assume that the proposed legislation will have a fiscal impact but did not provide any additional information.

Oversight is unable to determine any direct fiscal impact to the Eastern Clay Ambulance District; therefore, Oversight will not reflect a fiscal impact to the organization in the fiscal note.

Officials from the **Attorney General's Office, Department of Labor and Industrial Relations, Department of Public Safety – Director's Office, Department of Public Safety – Division of Fire Safety, MoDOT & Patrol Employees' Retirement System, Oversight Division, Office of the State Treasurer and City of Kansas City** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above-mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, ambulance and EMS districts, cities, colleges, and community colleges were requested to respond to this proposed legislation but did not. Upon receiving 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. A general listing of political subdivisions included in our database is available upon request.

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 2027 (10 Mo.)	FY 2028	FY 2029	Fully Implemented (FY 2033)
GENERAL REVENUE				
<u>Cost - DOLIR (§287.243)</u> Sunset repeal for Line of Duty Comp p.5-6	\$0	\$0	\$0	(More or less than \$800,000)
<u>Transfer Out – To Public Safety Recruitment and Retention Fund DHEWD (§173.2655) – Expansion to include to include air ambulance pilot, air ambulance paramedic or nurse. p.3-4</u>	\$0	\$0 or (Up to \$83,181)	\$0 or (Up to \$87,340)	\$0 or (Up to \$106,162)
TOTAL ESTIMATED NET EFFECT ON GENERAL REVENUE	\$0	\$0 or (Up to \$83,181)	\$0 or (Up to \$87,340)	(More or less than \$906,162)
PUBLIC SAFETY RECRUITMENT AND RETENTION FUND				
<u>Transfer In – From General Revenue (§173.2655) – Expansion of the program to include to include air ambulance pilot, air ambulance paramedic or nurse. p.3-4</u>	\$0	\$0 or Up to \$83,181	\$0 or Up to \$87,340	\$0 or Up to \$106,162
<u>Cost – DHEWD (§173.2655)</u> Increased tuition awards for program expansion p.3-4	\$0	\$0 or (Up to \$83,181)	\$0 or (Up to \$87,340)	\$0 or (Up to \$106,162)
TOTAL ESTIMATED NET EFFECT ON THE PUBLIC SAFETY RECRUITMENT AND RETENTION FUND	\$0	\$0	\$0	\$0

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029	Fully Implemented (FY 2033)
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill adds air ambulance pilot and air ambulance paramedic or nurse to the list of "public safety personnel" for the "Public Safety Recruitment and Retention Act".

Currently, the application for tuition award is due December 15th and the notice of eligibility is sent by March 1st. This bill moves those dates to February 1st and May 1st respectively.

Currently, if the Public Safety Recruitment and Retention Fund is insufficient to fully fund tuition awards for all eligible applicants, tuition awards are prioritized by the county or city not within a county with the highest crime rate per capita, followed by the years of service, and other specific criteria if there is a tie for eligibility.

This bill removes the criteria regarding a tie for eligibility and replaces the requirement regarding the crime rate per capita for priority class one, public safety personnel, and priority class two, dependents of public safety personnel. Priority for each class will be given to "renewal students", as defined by the Department.

Currently, the Line of Duty Compensation Act provides compensation to the survivors of certain public safety officers and emergency responders killed in the line of duty and is subject to the Missouri Sunset Act, ending on December 31, 2031.

This bill repeals the sunset and specifies that the Act shall not be subject to the Missouri Sunset Act.

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

Attorney General's Office
Department of Higher Education and Workforce Development
Department of Labor and Industrial Relations
Department of Public Safety

- Office of the Director
- Fire Safety
- Missouri Highway Patrol

Joint Committee on Administrative Rules
Missouri National Guard
MoDOT & Patrol Employees' Retirement System
Office of Administration - Administrative Hearing Commission
Office of the Secretary of State
Office of the State Treasurer
Oversight Division
City of Kansas City
City of O'Fallon
Eastern Clay County Ambulance District
Northwest Missouri State Missouri
University of Central Missouri
University of Missouri System



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