

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4836H.02C
 Bill No.: HCS for HB Nos. 2771 & 1993
 Subject: Military Affairs; Veterans; National Guard; Employees - Employers; Labor and Management; Department of Labor and Industrial Relations; Attorney General
 Type: Original
 Date: February 26, 2026

Bill Summary: This proposal provides Federal Servicemember Civil Relief Act (SCRA) protections to national guard members called to state duty.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
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 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
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 2027	FY 2028	FY 2029
Local Government	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

FISCAL ANALYSIS

ASSUMPTION

§40.490 - Rights of Military Service Members

In response to a previous version, officials from the **Office of Administration – Budget & Planning (B&P)** assumed this legislation would add requirements for employers under the Servicemembers Civil Relief Act. Article IX, Section 7 of the Missouri Constitution requires that penalties, forfeitures, and fines collected for violations of state law be distributed to the schools. To the extent any additional such revenues are deposited into the state treasury, TSR may increase.

Oversight notes that violations of §40.490 could result in fines or penalties. Oversight also notes per Article IX Section 7 of the Missouri Constitution fines and penalties collected by counties are distributed to school districts. Fines vary widely from year to year and are distributed to the school district where the violation occurred. Oversight will reflect a positive fiscal impact of \$0 or Unknown to local school districts. For simplicity, Oversight will not reflect the possibility that fine revenue paid to school districts may act as a subtraction in the foundation formula.

Officials from the **Department of Commerce and Insurance, Department of Health and Senior Services, and Department of Mental Health** both defer to the OA for the potential fiscal impact of this proposal.

Officials from the **Attorney General’s Office, Department of Elementary and Secondary Education, Department of Economic Development, Department of Higher Education and Workforce Development, Department of Natural Resources, Department of Revenue, Department of Corrections, Department of Public Safety (Division of Alcohol and Tobacco Control, Fire Safety, Missouri Gaming Commission, Missouri Veterans Commission, Office of the Director, State Emergency Management Agency), Department of Social Services, Missouri Department of Agriculture, MoDOT & Patrol Employees’ Retirement System, Joint Committee on Administrative Rules, Legislative Research, Oversight Division, Missouri Consolidated Health Care Plan, Missouri Higher Education Loan Authority, Joint Committee on Public Employee Retirement, Missouri House of Representative, Missouri Department of Conservation, Office of the Secretary of State, Petroleum Storage Tank Insurance Fund, Missouri Senate, Office of the State Auditor, Office of the State Courts Administrator, Office of the State Public Defender, Missouri Lottery Commission, Office of the State Treasurer, Missouri State Employee’s Retirement System, and State Tax Commission** each assume the proposal will have no fiscal impact on their respective organizations for this proposal. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these respective organizations.

In response to a previous version, officials from **Office of Administration - Administrative Hearing Commission, Department of Labor and Industrial Relations, Department of Public Safety – Capital Police, Office of the Governor, Office of Administration, Missouri Ethics Commission, and Missouri National Guard** each 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 for these respective organizations.

Officials from the **University of Missouri System (UMS)** assume the UMS has reviewed this proposed legislation and does not anticipate a significant financial impact.

Officials from the **University of Central Missouri (UCM)** assume the legislation will have an indeterminate fiscal impact on their respective organization.

Oversight assumes UCM is provided with core funding to handle a certain amount of activity each year. Oversight assumes UCM could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, UCM could request funding through the appropriation process.

Officials from the **City of Kansas City, Saint Louis Police Department, Phelps County Sheriff, Eastern Clay Ambulance District, Northwest Missouri State University, and Kansas City Police Department** each assume the proposal will have no fiscal impact on their organization.

In response to a previous version, officials from the **High Point R-III School District, Platte County Board of Elections, St. Louis City Board of Elections, St. Louis County Board of Elections, Newton County Health Department, County Employees Retirement Fund, Kansas City Civilian Police Employees' Retirement, Kansas City Police Retirement System, Public Education Employees' Retirement System, Sheriff's Retirement System, Metropolitan St. Louis Sewer District - 7B Sewer, South River Drainage District - 7D Levee, Wayne County Pwsd #2, Kansas City Port Authority, and Callaway County SB 40 Board** each assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary.

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, other local political subdivisions were requested to respond to this proposed legislation but did not. Upon the 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. A general listing of political subdivisions included in our database is available upon request.

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

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
LOCAL POLITICAL SUBDIVISIONS			
<u>Revenue Gain</u> – School Districts (§§40.490) Potential Penalties p.3	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
ESTIMATED NET EFFECT ON THE LOCAL POLITICAL SUBDIVISIONS	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>

FISCAL IMPACT – Small Business

A direct fiscal impact on 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

- Attorney General’s Office
- Department of Commerce and Insurance
- Department of Corrections
- Department of Economic Development
- Department of Elementary and Secondary Education
- Department of Health and Senior Services
- Department of Higher Education and Workforce Development
- Department of Labor and Industrial Relations
- Department of Mental Health
- Department of Natural Resources
- Department of Public Safety

Alcohol and Tobacco Control
Capitol Police
Fire Safety
Missouri Gaming Commission
Missouri Highway Patrol
Missouri Veterans Commission
Office of the Director
State Emergency Management Agency
Department of Revenue
Department of Social Services
Joint Committee on Administrative Rules
Joint Committee on Legislative Research
Legislative Research
Oversight Division
Missouri Consolidated Health Care Plan
Missouri Department of Agriculture
Missouri Department of Conservation
Missouri Department of Transportation
Missouri Ethics Commission
Missouri House of Representatives
Missouri Lottery Commission
Missouri National Guard
Missouri Office of Prosecution Services
Missouri Senate
Missouri State Employee's Retirement System
MoDOT & Patrol Employees' Retirement System
Office of Administration
Administrative Hearing Commission
Budget and Planning
Commissioner's Office
Office of the Governor
Office of the Lieutenant Governor
Office of the Secretary of State
Office of the State Auditor
Office of the State Courts Administrator
Office of the State Public Defender
Office of the State Treasurer
State Tax Commission
University of Central Missouri
Missouri University System
Northwest Missouri State University
City of Kansas City
Platte County Board of Elections
St. Louis City Board of Elections

St. Louis County Board of Elections
Newton County Health Dept.
Phelps County Sheriff
Kansas City Police Dept.
St. Louis County Dept.
County Employees Retirement Fund
Kansas City Civilian Police Employees' Retirement
Kansas City Police Retirement System
Public Education Employees' Retirement System
Sheriff's Retirement System
Metropolitan St. Louis Sewer District - 7B Sewer
South River Drainage District - 7D Levee
Wayne County Pwsd #2
Kansas City Port Authority
Callaway County SB 40 Board



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February 26, 2026



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