

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5143H.01P
Bill No.: Perfected HB 1749
Subject: Veterans; Contracts and Contractors; Political Subdivisions; State Departments
Type: Original
Date: March 11, 2026

Bill Summary: This proposal creates provisions relating to veteran preferences for contracts.

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	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§34.069 & 34.074 - Veteran Preferences for Contracts

Officials from the **Office of Administration (OA)** assume this proposal requires that a 3-point bonus preference shall be given to honorably discharged veteran-owned enterprises that are doing business in Missouri.

Officials from the **Office of Administration - Facilities Management, Design and Construction (OA-FMDC)** assume the proposed legislation will require OA-FMDC to include bid language and create procedures around evaluation and monitoring of the preference points.

OA-FMDC believes that the impact of this bill for its implementation in OA-FMDC is less than \$10,000. However, until the FY27 budget is finalized, specific funding sources cannot be identified. At this time, it is believed that the additional staff time and resources can be absorbed by OA-FMDC. However, if there are multiple pieces of legislation passed where OA-FMDC has responded that the costs can be absorbed, OA-FMDC would need to reevaluate to see if additional staff and associated expenses would then be required.

Officials from the **Office of Administration – Purchasing Division (OA-Purchasing)** state the proposed legislation will require OA Purchasing to include bid language and create procedures around evaluation and monitoring of the preference points.

OA-Purchasing believes that the impact of this bill for its implementation in OA-Purchasing is less than \$10,000. However, until the FY27 budget is finalized, specific funding sources cannot be identified.

At this time, it is believed that the additional staff time and resources can be absorbed by OA-Purchasing. However, if there are multiple pieces of legislation passed where OA-Purchasing has responded that the costs can be absorbed, OA-Purchasing would need to reevaluate to see if additional staff and associated expenses would then be required.

Officials from the OA assume the cost of the proposal can be absorbed. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Officials from the **Missouri Department of Conservation (MDC)** assume this proposal will result in an unknown fiscal impact. Due to the preference points given to veteran owned businesses, MDC could be awarding contracts to businesses other than the lowest priced.

Oversight assumes MDC could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, MDC could request funding through the appropriation process.

Officials from the **Department of Natural Resources, Missouri Department of Transportation, Missouri National Guard 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, other cities 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
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

A direct fiscal impact on honorably discharged veteran owned enterprises that conduct business in Missouri could 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

Office of Administration
Department of Natural Resources
Missouri Department of Conservation
Missouri Department of Transportation
Missouri National Guard
City of Kansas City



Julie Morff
Director
March 11, 2026



Jessica Harris
Assistant Director
March 11, 2026