

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5472H.011
 Bill No.: HB 1993
 Subject: Military Affairs; Veterans; National Guard; Employees - Employers; Labor and Management; Department of Labor and Industrial Relations; Attorney General
 Type: Original
 Date: February 10, 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

Officials from the **Office of Administration – Budget & Planning (B&P)** assume 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 **Office of Attorney General (AGO)** assume any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

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

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

Officials from the **Department of Corrections, Department of Economic Development, Department of Elementary and Secondary Education, Department of Higher Education and Workforce Development, Department of Labor and Industrial Relations, Department of Natural Resources, Department of Public Safety (Division of Alcohol and Tobacco Control, Capitol Police, Fire Safety, Missouri Gaming Commission, 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 Public Employee Retirement, Joint Committee on Legislative Research (Legislative Research and 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, MoDOT & Patrol Employees' Retirement System, Missouri Senate, Missouri State Employee's Retirement System, Office of Administration (Administrative Hearing Commission and Director's Office), Office of the State Courts Administrator, Office of the Governor, Office of the Lieutenant Governor, Office of the Secretary of State, Office of the State Auditor, Office of the State Public Defender, Office of the State Treasurer and State Tax Commission each assume the proposal will have no fiscal impact on their respective organizations for this proposal.

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.

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

Officials from the **City of Kansas City, University of Central Missouri, and Northwest Missouri State University** 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 this agency.

In response to the similar legislation, HB 2771 (2026), 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, Phelps County Sheriff, Kansas City Police Department, St. Louis County 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 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.

<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 – School Districts</u> (§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 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 Public Defender
Office of the State Treasurer
State Tax Commission
High Point R-III School District
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

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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



Julie Morff
Director
February 10, 2026



Jessica Harris
Assistant Director
February 10, 2026