

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5542S.03C  
 Bill No.: SCS for HB 2180  
 Subject: Boards, Commissions, Committees, and Councils; Campaign Finance; State  
 Departments; Taxation and Revenue - General  
 Type: Original  
 Date: April 1, 2026

Bill Summary: This proposal modifies provisions relating to mail sent by state entities.

**FISCAL SUMMARY**

**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	Up to \$1,750,000	Up to \$2,100,000	Up to \$2,100,000
<b>Total Estimated Net Effect on General Revenue</b>	<b>Up to \$1,750,000*</b>	<b>Up to \$2,100,000</b>	<b>Up to \$2,100,000</b>

\*Oversight notes the fiscal impact for FY 2027 is lesser because FY 2027 is a partial year (10 months).

**ESTIMATED NET EFFECT ON OTHER STATE FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Blind Pension Fund (1621)	Up to \$161,517	Up to \$193,820	Up to \$193,820
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>Up to \$161,517*</b>	<b>Up to \$193,820</b>	<b>Up to \$193,820</b>

\*Oversight notes the fiscal impact for FY 2027 is lesser because FY 2027 is a partial year (10 months).

Numbers within parentheses: () indicate costs or losses.

**ESTIMATED NET EFFECT ON FEDERAL FUNDS**

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

**ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<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.

**ESTIMATED NET EFFECT ON LOCAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §§32.058 & 143.611 - DOR Notice of Assessment Notices

Officials from the **Department of Revenue (DOR)** assume currently, per statutes, DOR is required to mail by certified mail, the Notice of Assessment Letter to a taxpayer about a problem with their tax return. DOR is finding that a majority of these certified Notice of Assessments are being returned to DOR unclaimed.

The Notice of Assessment is sent to a taxpayer at their last known address to inform them that they have:

- Failed to file a tax return that is owed,
- Filed a return in which they have incorrectly reported the tax owed, or
- Failed to pay the tax amount due.

Certified mail requires a person to sign for the mail before it can be given to them. Should the postal employee not be able to get a signature upon delivery, they leave a notice informing the person they have certified mail, and they must come to the post office to sign for it. The problem is that postal offices are open limited number of hours a day, for the person to retrieve their certified mail. Usually, the same business hours that the person is working.

In FY 2025, approximately 42% of these certified Notice of Assessment letters were returned to DOR unclaimed costing the department \$906,936. As of July 2025, a certified notice cost \$5.30 more than a letter sent regular first-class mail. The Department spent about \$2,241,070 in postage to send 411,876 of these Notice of Assessment letters by certified mail in FY 2025. (It should be noted the postage rate is expected to rise each January and July for the next couple of years).

This proposal is removing the certified mail notice requirement if a taxpayer elects to have their notices delivered electronically. This proposal would also allow taxpayers to have the notice sent regular first-class mail or if they elect to have it electronically delivered.

The Department is not able to estimate the number of taxpayers that will opt in to receive notices electronically. However, if all choose to receive their notice electronically DOR will save \$2.1 million in certified mail expenses. DOR will assume this proposal will result in a savings to general revenue of Up to \$2.1 million annually.

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by DOR.

§105.963 – Mailings of Campaign Disclosure Reports; Assessments of Financial Interest Statements

In response to a previous version, officials from the **Missouri Ethics Commission** noted while the proposed legislation allows the option of a method other than certified mail, at this time a cost savings is undetermined b/c the Commission anticipates the necessity of certified mail needed in specific circumstances.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

§209.030 - Mail Requirements for Blind Pension Participants

In response to a previous version, officials from the **Department of Social Services, Family Support Division (DSS/FSD)** stated the following effective 8/28/2018 for BP certified mailing. DSS used the total cost of FAMIS certified mailing for SFY2019 to average the mailing cost per mailing. The average cost was then applied to the monthly mailings tracked for BP, MRT, and FAMIS to gather the total annual costs of certified mail to BP participants.

Month	Blind Pension (BP)	Medical Review Team (MRT)	Family Assistance Management Information System (FAMIS)	Total Pieces
Aug-18	323	8	0	331
Sep-18	837	199	60	1096
Oct-18	985	151	3946	5082
Nov-18	576	124	1326	2026
Dec-18	507	139	1171	1817
Jan-19	674	70	1515	2259
Feb-19	503	155	1083	1741
Mar-19	632	178	1107	1917
Apr-19	661	127	1429	2217
May-19	451	152	932	1535
Jun-19	510	109	1001	1620
Total:	6,659	1,412	13570	21641

Certified Mail Cost Effective July 2025      \$10.44  
 Total Costs for Certified Mailing              \$225,932

Total Costs for Adverse Actions              \$16,098  
 Total Cost of Mailing first class mail        \$16,014

Total cost avoidance \$193,820

**Oversight** notes the Blind Pension program receives no federal funds. DSS assumes savings from a reduction in certified mail costs (administrative activity) will be redirected to other activities. Oversight will show the estimated savings provided by DSS/FSD to the Blind Pension Fund. Oversight notes subsection 209.030.3 was added in 2018 with HCS/HB 2171. Oversight will reflect the potential savings to the Blind Pension Fund of “Up to \$193,820”.

Responses regarding the proposed legislation as a whole

Officials from the **Office of Administration - Administrative Hearing Commission, Department of Social Services, Office of Administration - Budget and Planning, Missouri Ethics Commission,** and the **Platte County Board of Elections** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to a previous version, officials from the **St. Louis City Board of Elections** and the **St. Louis County Board of Elections** each assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<b>GENERAL REVENUE</b>			
<u>Savings</u> – DOR (§143.611) Savings on Notice of Assessment certified mail costs p.4	Up to <u>\$1,750,000</u>	Up to <u>\$2,100,000</u>	Up to <u>\$2,100,000</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	Up to <u>\$1,750,000</u>	Up to <u>\$2,100,000</u>	Up to <u>\$2,100,000</u>
<b>BLIND PENSION FUND</b>			
<u>Savings</u> – DSS/FSD (§209.030) Savings on Blind Pension certified mail costs p.4	Up to \$161,517	Up to \$193,820	Up to \$193,820
<b>ESTIMATED NET EFFECT ON THE BLIND PENSION FUND</b>	<u>Up to \$161,517</u>	<u>Up to \$193,820</u>	<u>Up to \$193,820</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

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

FISCAL DESCRIPTION

This act modifies provisions relating to mail sent by state departments.

Various provisions of law require the use of certified or registered mail by the Department of Revenue when sending certain documents. This act allows the use first class mail or electronic delivery, as specified in the act, in lieu of certified or registered mail. Moreover, in any action before the administrative hearing commission or a court of competent jurisdiction, the director of revenue shall bear the burden of proving the date any document has been sent to the taxpayer's last known address, and the period of time within which a taxpayer may appeal or otherwise respond to any such document shall begin on the date the document is sent. This provision shall not apply if the taxpayer fails to update the Department of Revenue with a new address within thirty days of any change of address.

The act additionally repeals a requirement that notices of assessments by the Executive Director of the Missouri Ethics Commission be sent by mail or registered mail.

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

Department of Revenue  
 Department of Social Services  
 Missouri Ethics Commission  
 Platte County Board of Elections

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St. Louis City Board of Elections  
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Platte County Board of Elections



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April 1, 2026



Jessica Harris  
Assistant Director  
April 1, 2026