

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6092H.02P
 Bill No.: Perfected HB 2593
 Subject: Veterans; Military Affairs
 Type: Original
 Date: February 26, 2026

Bill Summary: This proposal modifies various provisions relating to military affairs.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

| FUND AFFECTED | FY 2027 | FY 2028 | FY 2029 |
|--|-------------------------|-------------------------|-------------------------|
| General Revenue* | \$0 or (Unknown) | \$0 or (Unknown) | \$0 or (Unknown) |
| Total Estimated Net Effect on General Revenue | \$0 or (Unknown) | \$0 or (Unknown) | \$0 or (Unknown) |

*The fiscal impact to General Revenue could exceed the \$250,000 threshold depending on the level of appropriation to the Missouri National Guard Cybersecurity Revolving Fund, if any along with the funding of the MO GIVES Program.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

| FUND AFFECTED | FY 2027 | FY 2028 | FY 2029 |
|---|------------|------------|------------|
| Missouri National Guard Cybersecurity Revolving Fund** | \$0 | \$0 | \$0 |
| MO GIVES Fund* | \$0 | \$0 | \$0 |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

*Revenue and expenses net to zero.

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

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency 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.

§41.216 – Missouri Family Relief Fund

In response to a previous version, officials from the **Missouri National Guard (MONG)** 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 the agency.

§§41.475, 41.598, and 41.599 – Creation of New Missouri National Guard Ribbons

In response to a previous version, officials from the **Missouri National Guard (MONG)** stated that the program will cost the department \$2,100 (\$700 per ribbon category for initial setup) for the original production of each of the ribbons and then \$600 annually (\$200 per ribbon category) to restock and will also be able to absorb the cost of the ribbons. The original estimation is 100 ribbons per program.

Oversight notes that these sections create three new ribbons that can be awarded to MONG members that meet the qualifications set forth by the Adjutant General.

Oversight notes that the above-mentioned agency has stated the cost of this provision could be absorbed within current appropriations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

§§41.1015-41.1018 - Cybersecurity Mission Act

In response to a previous version, officials from the **Missouri National Guard (MONG)** stated that there is no fiscal impact. If the legislation passes, then the Missouri National Guard would need spending authority in its budget for the fund created by that legislation.

Oversight notes that this proposal creates the “Cybersecurity Mission Act”, which provides that the Missouri National Guard may engage in cybersecurity, cyber-attack prevention, cyber-attack response, and cyber-attack support activities for this state and for political subdivisions, governing bodies, public colleges and universities, law enforcement agencies, utility companies, and critical infrastructure facilities of this state.

Oversight notes that this proposal also creates the “Missouri National Guard Cybersecurity Revolving Fund” and shall consist of monies appropriated by the General Assembly and monies received as a charge and monies received as reimbursement for expenses incurred by the Missouri National Guard related to rendering aid under this act. For simplicity, Oversight assumes any funds will be utilized in the year in which they were received.

Oversight will reflect a \$0 (no appropriation) or unknown transfer from General Revenue to the Missouri National Guard Cybersecurity Revolving Fund for reimbursement of the expenses incurred.

§§42.300, 42.311, 42.312, 42.313, 42.315, and 42.316 - Veterans Commission Service Recognition Updates

In response to similar legislation, SB 1003 (2026), officials from the **Missouri Veterans Commission (MVC)** stated that there is a limited fiscal impact as MVC is already creating forms and soliciting designs for medallions, medals and certificates.

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

§173.239 – Missouri National Guard Education Assistance Updates

In response to a previous version, officials from the **Missouri National Guard (MONG)** stated that removing the GI Bill language will make it easier for post-secondary institutions to process the current tuition waiver. Currently, some GI Bill payments go directly to the service members for living expenses, etc. which makes it almost impossible for the colleges to track.

Upon further inquiry, the MONG stated there are currently approximately 11,000 active MONG members and for the fall 2025 semester, 630 members utilized the state tuition assistance program.

In addition, the current reimbursement rate a member of the MONG receives is up to to \$383 per undergraduate credit hour completed with a maximum of 15 credit hours for spring semester and 15 credit hours for fall semester and 9 summer hours. The proposal will have no fiscal impact on the MONG as it will continue to provide tuition assistance up to their maximum amount.

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

Oversight assumes that there will not be a fiscal impact for either NMSU or UCMO due to the removal of the GI Bill educational entitlements (§173.239.1) within the proposal.

§41.220 – Repeal of the Military Council

In response to a previous version, officials from the **Missouri National Guard** 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 this agency.

Oversight notes this section repeals the Military Council, which duties included acting in an advisory capacity on matters provided by the Governor and the Adjutant General and making recommendations of appropriations and expenses of the MONG.

§41.1030 House Amendment 1 (HA 1) - Establishes the “Missouri Guaranteed Inclusive Voluntary Exceptional Service” (MO GIVES) Program

In response to similar legislation, SB 1555 (2026), officials from the **Missouri National Guard (MONG)** state that since a fund would be established for this and the money appropriated to the department, there would be no fiscal impact on the department. Only the absence of the staff member for an extended period of time with the position unfillable. The department is used to this scenario with employees out on short term disability, FMLA, etc. and it is something that can be worked around to accommodate the living donor.

Oversight notes that this proposal also establishes a program for members who choose to become living organ donors to receive living donor medical orders for purposes of remaining on paid status during the living donation period, to be known as the "Missouri Guaranteed Inclusive Voluntary Exceptional Service" (MO GIVES) Program. For simplicity, Oversight assumes any funds will be utilized in the year in which they were received.

Oversight will reflect a \$0 (no appropriation) or unknown transfer from General Revenue to the MO GIVES Fund for reimbursement of the expenses incurred.

§41.430 House Amendment 2 (HA 2) – Establishes the Supporting Missouri Servicemen and Women Act

In response to similar legislation, SB 925 (2026), officials for the **Missouri National Guard (MONG)** state that without understanding the full breadth of the potentially impacted population (including how many members would serve in the applicable duty statuses in a given fiscal year, the frequency and duration of state active duty missions, and how often members would transition between mission of less than 30 days and missions exceeding 30 days), the Missouri National Guard (MONG) finds it difficult to provide a precise fiscal impact estimate for SB 925.

Additionally, MONG is unable to reliably project the cost of the insurance-premium allowance because insurance cost and premium structures may change year-to-year, eligibility and enrollment may vary by member, and the bill references TRICARE and “other government-

sponsored insurance programs,” which could introduce variability in coverage selections and premium amounts across the impacted population.

Oversight notes upon further inquiry, the MONG stated that in 2025 there were no missions that lasted over 30 days and there were 10 missions that were under 30 days.

Oversight is unable to determine how many future state activations may arise, the duration of those activations, the number of Guard members involved, or the mix of rank and family status. Therefore, Oversight will reflect an unknown cost in the fiscal note. Oversight assumes that cost could exceed the \$250,000 threshold.

§40.490 House Amendment 3 (HA 3) - Rights of Military Service Members

In response to similar legislation, HB 2771 (2026), officials from the **Office of Administration – Budget & Planning (B&P)** assumed that 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.

In response to similar legislation, HB 2771 (2026), officials from the **Department of Commerce and Insurance** and **Department of Mental Health** both deferred to the OA for the potential fiscal impact of this proposal.

In response to similar legislation, HB 2771 (2026), officials from the **Attorney General’s Office, 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 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 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, Missouri Senate, Missouri State**

Employee's Retirement System, Office of Administration (Director's Office and Administrative Hearing Commission), 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 assumed 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.

In response to similar legislation, HB 2771 (2026), officials from the **University Missouri System** assumed that the University has reviewed this proposed legislation and does not anticipate a significant financial impact.

In response to similar legislation, HB 2771 (2026), officials from the **University of Central Missouri** assumed that the proposal would 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 similar legislation, HB 2771 (2026), officials from the **High Point R-III School District, City of Kansas City, 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 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.

Bill as a Whole

Officials from the **Department of Commerce and Insurance, Department of Health and Senior Services, Department of Public Safety- Office of the Director, Office of the State Treasurer, and Northwest Missouri State University** 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.

Officials from the **University of Central Missouri (UCMO)** state that there could be an indeterminate fiscal impact.

In response to a previous version, officials from the **University of Missouri and Missouri Veterans Commission** 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 this agency.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other colleges and community colleges 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.

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.

In response to a previous version, officials from the **Office of the Secretary of State (SOS)** noted 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 |
|---|-----------------------------|-----------------------------|-----------------------------|
| GENERAL REVENUE | | | |
| <u>Cost – MONG (\$41.430) Personnel and benefit expenditures p.6</u> | (Unknown) | (Unknown) | (Unknown) |
| <u>Transfer Out – (\$41.1016) To the Missouri National Guard Cybersecurity Revolving Fund p.4</u> | \$0 or (Unknown) | \$0 or (Unknown) | \$0 or (Unknown) |
| <u>Transfer Out – (\$41.1030) To the MO GIVES Fund p.5</u> | \$0 or (Unknown) | \$0 or (Unknown) | \$0 or (Unknown) |
| ESTIMATED NET EFFECT ON THE GENERAL REVENUE | \$0 or (Unknown) | \$0 or (Unknown) | \$0 or (Unknown) |

| <u>FISCAL IMPACT – State Government</u> | FY 2027 (10 Mo.) | FY 2028 | FY 2029 |
|--|---------------------|---------------------|---------------------|
| MISSOURI NATIONAL GUARD CYBERSECURITY REVOLVING FUND | | | |
| <u>Transfer In</u> – (§41.1017) From General Revenue p.4 | \$0 or Unknown | \$0 or Unknown | \$0 or Unknown |
| <u>Revenue</u> – (§41.1017) Monies received as a charge for expenses incurred by MONG p.4 | \$0 or Unknown | \$0 or Unknown | \$0 or Unknown |
| <u>Revenue</u> – (§41.1017) Monies received as reimbursement for expenses incurred by MONG p.4 | \$0 or Unknown | \$0 or Unknown | \$0 or Unknown |
| <u>Cost</u> – (§41.1017) Expenses for rendering aid p.4 | \$0 or (Unknown) | \$0 or (Unknown) | \$0 or (Unknown) |
| ESTIMATED NET EFFECT ON MISSOURI NATIONAL GUARD CYBERSECURITY REVOLVING FUND | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| MO GIVES FUND | | | |
| <u>Transfer In</u> – (§41.1030) From General Revenue p.5 | \$0 or Unknown | \$0 or Unknown | \$0 or Unknown |
| <u>Cost</u> – (§41.1030) Expenses for living donor medical orders to MONG members p.5 | \$0 or (Unknown) | \$0 or (Unknown) | \$0 or (Unknown) |
| ESTIMATED NET EFFECT ON THE MO GIVES FUND | <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.6 | <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

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

FISCAL DESCRIPTION

This bill modifies various provisions relating to military affairs.

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
Public Education Employees' Retirement System

L.R. No. 6092H.02P
Bill No. Perfected HB 2593
Page **12** of **12**
February 26, 2026

Sheriff's Retirement System
Metropolitan St. Louis Sewer District - 7B Sewer
South River Drainage District - 7D Levee



Julie Morff
Director
February 26, 2026



Jessica Harris
Assistant Director
February 26, 2026