

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6092S.06T
 Bill No.: Truly Agreed To and Finally Passed SS for SCS for HB 2593
 Subject: Office of Administration; Civil Procedure; Contracts and Contractors; Crimes and Punishment; Higher Education; Employees - Employers; Federal - State Relations; Governor and Lt. Governor; Health Care; Insurance - Health; Insurance - Life; Medical Procedures and Personnel; Military Affairs; National Guard; State Departments; State Employees; Veterans
 Type: Original
 Date: May 29, 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*	(Could Exceed \$501,932)	(Could Exceed \$501,932)	(Could Exceed \$501,932)
Total Estimated Net Effect on General Revenue	(Could Exceed \$501,932)	(Could Exceed \$501,932)	(Could Exceed \$501,932)

*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
MO National Guard Counterdrug Revolving Fund*	\$0	\$0	\$0

FUND AFFECTED	FY 2027	FY 2028	FY 2029
College & University Funds	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

*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 to (Unknown)	\$0 or Unknown to (Unknown)	\$0 or Unknown to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

§§34.069 & 34.074 - Veteran Preferences for Contracts

Officials from the **Office of Administration (OA)** assume §34.069.2 of 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 **Department of Revenue (DOR)** state that §34.069 provide 3 bonus points to entities with ownership greater than 51% by an Honorably discharged veteran. The proposed bill would require 3 bonus points on proposals submitted by veteran owned business entities during the evaluation process. The proposed bill is not additive to the existing Missouri Disabled Service Veteran bonus points currently established in statute.

Impact to the Bureau anticipated to be minimal, an update to any RFP issued after the effective date to reflecting the bonus points provided during the evaluation process for qualifying entities.

LICENSE OFFICE BUREAU

Administrative Impact

For the sections above, the License Office Bureau estimates their own separate administrative impact to:

- Update license office RFP information.

FY 2027 - License Office Bureau:

Administrative Manager 05 hrs. @ \$43.13/hr. = \$216

Total = \$216

The Department will absorb this impact.

License Office Bureau FUSION Impact

No direct FUSION impact – for the License Offices Bureau

Oversight assumes the DOR could absorb the costs related to this proposal. Therefore, Oversight will reflect no impact in the fiscal note.

Officials from the **Missouri National Guard** assume the provision 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.

§40.490 - Rights of Military Service Members

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.

Officials from the **Department of Mental Health** defer to the OA for the potential fiscal impact of this proposal.

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 **Missouri National Guard** assume the provision 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.

§41.216 – Missouri Family Relief Fund

Officials from the **Missouri National Guard** assume the provision 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.

§41.430 - Establishes the Supporting Missouri Servicemen and Women Act

Officials from the **Missouri National Guard** stated providing insurance premiums for service members who surpass 30 days on active duty will cost the department \$57 per soldier per month. The cost for Lonestar would have been \$3,591. With FIFA in the near future - that estimated cost would be \$5700 (monthly).

The MONG further stated that there were few missions that lasted over 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 the cost would not exceed the \$250,000 threshold.

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

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.

§41.477 – Missouri National Guard Counterdrug Revolving Fund

Officials from the **Office of Administration - Budget & Planning (B&P)** state that §41.477 would create the Missouri National Guard Counterdrug Revolving Fund in statute. This fund currently exists as an administratively created fund (1141). However, the new statutorily created fund will not be subject to biennial sweeps to general revenue. To the extent any revenue would no longer be swept to general revenue, general revenue may decrease by an unknown amount.

Oversight notes that this proposal also creates the “Missouri National Guard Counterdrug Revolving Fund” and shall consist of monies received by the Missouri National Guard through federal asset forfeiture programs, including, but not limited to, the United States Department of Justice Asset Forfeiture Program, the United States Department of the Treasury Asset Forfeiture Program, and any successor programs or funds established by the federal government for the distribution of seized or forfeited assets.

For simplicity, Oversight assumes any funds will be utilized in the year in which they were received.

§§41.1015-41.1018 - Cybersecurity Mission Act

Officials from the **Office of Administration - Budget & Planning (B&P)** state that §41.1017 would create the Missouri National Guard Cybersecurity Revolving Fund. The fund would receive revenues as a charge or reimbursement for services rendered by the National Guard's cybersecurity team. While reimbursements or recovery of costs would not impact TSR, a charge in advance could be considered a fee for services, which could increase TSR. To the extent these entities are charged in advance for services, TSR may increase by an unknown amount.

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.

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

Officials from the **Office of Administration - Budget & Planning (B&P)** state that §41.1030 would create the MO GIVES Fund. The fund would consist of moneys appropriated as well as any gifts, contributions, grants, or bequests received from federal, private, or other sources. To the extent any additional revenues are deposited into the fund, TSR may increase by an unknown amount.

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.

§§42.300, 42.310, 42.311, 42.312, 42.313, 42.315, and 42.316 - Veterans Commission Service Recognition Updates

Officials from the **Department of Public Safety - Missouri Veterans Commission (MVC)** state 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.

§105.265 - State-Sponsored Life Insurance Program

Officials from the **Missouri National Guard** assume the provision 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.

Upon further inquiry, MONG stated they have already been doing this for years until recent federal regulations prohibited it. The new state law would just allow the MONG to continue what it had already been doing for years.

§105.270 - Leave from Employment for Military Service

Officials from the **Office of Administration (OA)** assume §105.270.1 states all officers and employees of this state, or of any department or agency thereof, or of any county, municipality, school district, or other political subdivision, and all other public employees of this state who are or may become members of the National Guard or of any reserve component of the Armed Forces of the United States, shall be entitled to leave of absence from their respective duties, without loss of time, pay, regular leave, impairment of efficiency rating, or of any other rights or benefits, to which otherwise entitled, for all periods of military services during which they are engaged in the performance of duty or training in the service of this state at the call of the governor and as ordered by the adjutant general without regard to length of time, and for all periods of military services during which they are engaged in the performance of duty in the service of the United States under competent orders for a period not to exceed a total of one hundred sixty hours in any federal fiscal year.

Thus, allowing an additional 160 hours of leave with pay - military time. The increase in hours would potentially have a cost impact of \$0 to unknown, but a potential estimate of \$2,007,726.40

Calculations are based on the team members from Federal Fiscal Year 2025 who utilized leave with pay-military time (467 Team members), multiplied by the average hourly rate of state team members (\$26.87), and multiplied by the additional proposed hours of 160.

There is no way to calculate how much of this leave would be used, and specifically, how many military state team members would utilize the full amount of leave. Further, we are unable to say for certain whether agencies will have figured this amount of leave in their leave finances, i.e. whether the agencies will be able to absorb this cost. As we are unable to say for certain the number and duration that a military state team member would use leave with pay-military time, we have calculated a range of \$0 to unknown, but a potential estimate of \$2,007,726.40.

Oversight notes that the OA shows a potential impact estimate of \$2,007,726.40 which is calculated at the proposals new 160 hours of leave with pay-military time. Oversight, for fiscal note purposes, will show the estimated fiscal impact as the difference between the current 120 hours of leave with pay-military time and the new 160 hours of leave with pay-military time.

$$((467 * \$26.87) * 160) - ((467 * \$26.87) * 120) = \$501,931.60$$

Oversight will show the fiscal impact of up to \$501,932 in cost to General Revenue for various state agencies as estimated by the OA beginning in Fiscal Year 2027.

Officials from the **Department of Corrections (DOC)** state that §105.270 expands the amount of paid military leave from 120 hours every federal fiscal year to 160 hours. This could result in an unknown impact as it results in the additional paid leave for military service members and the additional overtime to cover custody posts. It is also unknown the number of staff that will use the additional 40 hours a year. The department is unable to track information on how many employees have been deployed. Therefore, it is unknown if this cost will be over or under the 250,000 threshold.

Officials from the **Department of Public Safety - Missouri Highway Patrol (DPS-MSHP)** state that the Patrol expects fiscal impact for members who are granted additional leave under this proposal, such impact can be absorbed by existing appropriations.

Officials from the **Department of Public Safety - Missouri Veterans Commission (MVC)** state that this bill also increases the number of hours of paid leave state employees are given for military service from 120 hours to 160 hours, so MVC requests deferring to OA-Personnel as to the amount of negative fiscal impact that will have on MVC.

Officials from the MVC defer to the OA for the potential negative fiscal impact of this proposal.

Officials from the **Missouri National Guard** assume the provision 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.

Oversight notes that §105.270.1 includes who is considered a qualified employee for leave with pay – military time. Therefore, for fiscal note purposes, Oversight will show a fiscal impact to colleges and universities along with local political subdivisions of \$0 (no qualified employees take leave with pay – military time) to an Unknown cost for qualified employees that take leave with pay that could exceed the \$250,000 threshold.

§173.239 – Missouri National Guard Education Assistance Updates

Officials from the **Missouri National Guard (MONG)** state 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.

The MONG further 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 \$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.

Officials from **Northwest Missouri State University (NMSU)** assume a negative impact on tuition and fees revenue based on unreimbursed loss of tuition and mandatory fee revenue for each eligible military student receiving waiver unless appropriations are aligned with awards. If no appropriations, still creates negative public relations as military students and families do not know about the appropriation requirement.

This proposal would also generate additional workload to verify eligibility along with auxiliary revenue such as housing and dining may be positively impacted; however, it would not offset loss of tuition and mandatory fees.

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

§41.220 – Repeal of the Military Council

Officials from the **Missouri National Guard** assume the provision 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.

Responses regarding the proposed legislation as a whole

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 does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

Officials from the **University of Central Missouri (UCMO)** assume the proposal will have an indeterminate fiscal impact.

Officials from the **Department of Commerce and Insurance, Department of Economic Development, Department of Elementary and Secondary Education, Department of Higher Education and Workforce Development, Department of Health and Senior Services, Department of Labor and Industrial Relations, Department of Natural Resources, Department of Public Safety (Division of Alcohol and Tobacco Control, Capitol Police, Fire Safety, Office of the Director, Missouri Gaming Commission, State Emergency Management Agency), Department of Social Services, Joint Committee on Administrative Rules, Joint Committee on Public Employee Retirement, Legislative Research, Missouri Consolidated Health Care Plan, Missouri Ethics Commission, Missouri Lottery Commission, Missouri Department of Agriculture, Missouri Department of Conservation, Missouri Department of Transportation, Missouri House of Representatives, Missouri Senate, MoDOT & Patrol Employees' Retirement System, Missouri State Employee's Retirement System, Office of Administration - Administrative Hearing Commission, Office of the Governor, Office of the State Auditor, Office of the State Courts Administrator, Office of the State Public Defender, Office of the State Treasurer, Oversight Division, Petroleum Storage Tank Insurance Fund, State Tax Commission, University of Missouri System, City of Kansas City, Phelps County Sheriff, Branson Police Department, Kansas City Police Department, St Louis County Police Department, and Eastern Clay County Ambulance District** 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.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other local entities were requested to respond to this proposed legislation but did not. Upon receiving 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 **Office of the Secretary of State (SOS)** note 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.5</u>	(Unknown)	(Unknown)	(Unknown)
<u>Cost – OA (\$105.270) For increased leave of absence hours paid to state team members for qualified military service. p.8-9</u>	(Up to <u>\$501,932</u>)	(Up to <u>\$501,932</u>)	(Up to <u>\$501,932</u>)
<u>Transfer Out – (\$41.1017) To the Missouri National Guard Cybersecurity Revolving Fund p.6</u>	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Transfer Out – (\$41.1030) To the MO GIVES Fund p.7</u>	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE	(Could Exceed <u>\$501,932</u>)	(Could Exceed <u>\$501,932</u>)	(Could Exceed <u>\$501,932</u>)
MISSOURI NATIONAL GUARD CYBERSECURITY REVOLVING FUND			
<u>Transfer In – (\$41.1017) From General Revenue p.6-7</u>	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Revenue – (\$41.1017) Monies received as a charge for expenses incurred by MONG p.6</u>	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Revenue – (\$41.1017) Monies received as reimbursement for expenses incurred by MONG p.6</u>	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost – (\$41.1017) Expenses for rendering aid p.6</u>	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
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.7	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost</u> – (\$41.1030) Expenses for living donor medical orders to MONG members p.7	\$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>
MISSOURI NATIONAL GUARD COUNTERDRUG REVOLVING FUND			
<u>Revenue Gain</u> – (\$41.477) Monies received from seized or forfeited assets p.5-6	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost</u> – (\$41.477) Expenses for MONG counterdrug operations members p.5-6	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON THE MISSOURI NATIONAL GUARD COUNTERDRUG REVOLVING FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
COLLEGE AND UNIVERSITY FUNDS			
<u>Cost</u> – (\$105.270) For increased leave of absence hours paid to employees for qualified military service. p.8-9	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON COLLEGE AND UNIVERSITY FUNDS	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

<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.4-5	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost</u> – Various (\$105.270) For increased leave of absence hours paid to employees for qualified military service. p.8-9	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON THE LOCAL POLITICAL SUBDIVISIONS	\$0 or Unknown to (Unknown)	\$0 or Unknown to (Unknown)	\$0 or Unknown to (Unknown)

FISCAL IMPACT – Small Business

The 3-point bonus award for small business owned by a honorably discharged veteran will impact bidders who qualify for the extra points would be expected as a result of this proposal.

FISCAL DESCRIPTION

BENEFITS FOR MEMBERS OF THE MISSOURI NATIONAL GUARD (Section 40.490, 41.430, 41.1030 and 105.270)

This bill extends Federal protections of the Servicemembers Civil Relief Act (SCRA) currently in Federal law for Federal servicemembers to members of the Missouri National Guard who are

called to active state duty by the Governor or adjutant general for a period of more than 30 consecutive days and any Missouri employees who are members of the National Guard of another state and are called to active state duty by the Governor or adjutant general of that state for a period of more than 30 consecutive days, upon being relieved of such duty.

The bill allows members of the Missouri National Guard or any Missouri employee who is a member of the National Guard of another state who believes his or her rights have been violated to bring suit in any court of competent jurisdiction and appropriate venue. The office of the Attorney General can also bring suit against an employer who violates the provisions of this bill.

This bill establishes "The Supporting Missouri Servicemen and Women Act". Currently, members of the Missouri National Guard serving under state active-duty orders receive the same pay, longevity, and allowances as members of like grade and branch of the Armed Forces of the United States, provided that such members at least receive the daily paygrade rate of an E5 with maximum longevity and dependents. This bill additionally provides that members of the Missouri National Guard who are on state active-duty orders for more than 30 days will receive an allowance for any premiums for TRICARE or other government-sponsored insurance programs for coverage of the member during the period of active duty.

This bill establishes a new program called the "Missouri Guaranteed Inclusive Voluntary Exceptional Service Program" or (MO GIVES). The Program provides state active-duty orders to Guard members who are living organ donors. The living donation period includes all medically necessary phases including, but not limited to, testing, surgery, and recovery. The active-duty orders will not exceed 45 days, unless a medical extension is deemed necessary by the primary surgical team. The member will continue to be paid while he or she is on the active-duty order. To qualify for the Program, a member must:

- (1) Be a Missouri National Guard member in good standing;
- (2) Be in traditional drilling status;
- (3) Be actively participating in a living organ donation process; and
- (4) Not be on Federal active-duty orders under Title 10 or Title 32.

Active Guard Reserve (AGR) personnel serving on full-time Federal orders, Federal technicians under Title 5 or Title 32 and any Federal employee whose participation would violate Federal dual compensation laws do not qualify for the program. The bill creates the "MO GIVES Fund" for the administration of the Program.

This bill expands, from 120 to 160, the maximum number of hours in leave of absence per federal fiscal year that certain public employees are entitled to take to perform specified military duties without loss of time, pay, regular leave, impairment of efficiency rating, or of any other rights or benefits to which the employees are otherwise entitled.

FINANCIAL ASSISTANCE FOR MEMBERS OF THE MISSOURI NATIONAL GUARD
(Section 41.216 and 173.239)

This bill modifies the composition of the panel that recommends to the Adjutant General to make grants or provide other financial assistance or services from the Missouri Military Family Relief Fund. This bill replaces a sergeant major of the Missouri National Guard with a senior enlisted leader of the Missouri National Guard. The bill also provides that the Adjutant General, rather than the panel, will have the power to establish criteria for the grants. Furthermore, the grants may be made to members of the Missouri National Guard in addition to families of members and other reserve members of the Armed Forces of the United States.

Currently, the tuition and fee waiver for undergraduate courses at Missouri higher education institutions to Missouri National Guard members apply after GI Bill educational entitlements. This bill repeals this provision. The bill specifies that for each semester, the tuition and fee waiver awarded by an institution to a member cannot exceed the amount of the grant received by the institution for that member.

RIBBONS, MEDALLIONS, MEDALS, AND CERTIFICATES (Sections 41.475, 41.598,
41.599, 42.300, 42.310, 42.312, 42.313, 42.315, and 42.316)

This bill establishes a Missouri National Guard Counterdrug Program Ribbon, which the Adjutant General is authorized to present to any member of the Missouri National Guard who has participated in the Counterdrug Program from January 1, 1989.

The bill also establishes the Missouri National Guard Homeland Response Force Program Ribbon, which the Adjutant General is authorized to present to any member of the Missouri National Guard who has participated in the Homeland Response Force Program from January 1, 2012.

This bill establishes a Missouri National Guard Engineer Explosive Ordnance Clearance Agent Ribbon, which the Adjutant General is authorized to present to any member of the Missouri National Guard who has participated in a engineer explosive ordnance clearance agent course from January 1, 2012.

The Missouri Veterans' Commission may use the Veterans Commission Capital Improvement Trust Fund for payment of expenses associated with providing medals, medallions, and certificates in recognition of service in the Armed Forces of the United States for any conflict, war, operation, and similar incident identified in law, rather than during World War II, the Korean Conflict, and the Vietnam War.

This bill creates the following medallions, medals, and certificates for eligible veterans:

(1) Operation Iraqi Freedom and Operation New Dawn;

(2) Operation Enduring Freedom, Operation Freedom's Sentinel, and Operation Allies Refuge Program; and

(3) Operation Desert Shield and Operation Desert Storm.

The bill provides that spouses or eldest living survivors of a deceased veteran, who was entitled to but died prior to applying, may apply on behalf of the deceased veteran.

The Missouri Veterans' Commission will design the form for the medallions, medals, and certificates. The Adjutant General will determine as expeditiously as possible those persons who are entitled to medallions, medals, and certificates and will notify the General Assembly when the supply totals less than 100.

ASSET FORFEITURE (Section 41.477)

This bill creates the "Missouri National Guard Counterdrug Revolving Fund", which will consist of all monies received by the Missouri National Guard through federal asset forfeiture programs for purposes authorized by such programs.

Participation in federal asset forfeiture programs will be at the discretion of the Adjutant General. Upon electing to participate, the Missouri National Guard must comply with the terms of an equitable sharing agreement and certificate of the federal asset forfeiture program.

CYBERSECURITY (Sections 41.1015 - 41.1018)

The bill establishes the "Cybersecurity Mission Act", which authorizes the Missouri National Guard to 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. The Adjutant General may activate members on state order to carry out such activities. The bill creates the "Missouri National Guard Cyber Security Revolving Fund" which consists of monies appropriated by the General Assembly, monies received as a charge and monies received as reimbursement for expenses incurred by the Missouri National Guard related to rendering aid.

VETERAN OWNED BUSINESSES (Sections 34.069 and 34.074)

This bill requires all agencies, departments, institutions and other entities of this State and of each political subdivision to give a three-point bonus preference to honorably discharged veteran owned enterprises that conduct business in Missouri, or that maintain offices or places of business in Missouri, for contracts for the performance of any job or service.

Currently, there is a three-point bonus preference for being a service-disabled veteran business. This bill specifies that a business cannot receive points for being a service-disabled veteran and for being an honorably discharged veteran owned enterprise. The business can only be awarded points for one qualifier or the other.

STATE-SPONSORED LIFE INSURANCE PROGRAM (Section 105.265)

This bill provides that the Adjutant General will be the official sponsor of the state-sponsored life insurance program, which is the life insurance program exclusively offered to all members of the Missouri National Guard through the Missouri National Guard Association in accordance with Federal law. The Missouri National Guard Association will select the insurer used to provide the program.

Furthermore, the Adjutant General must:

- (1) Allow, facilitate, and coordinate all efforts to make the program available to all Missouri National Guard members;
- (2) Provide an opportunity for Missouri National Guard members to purchase products of the program;
- (3) Allow, facilitate, and coordinate requested allotments with the appropriate United States Property and Fiscal Office;
- (4) Allow program representatives to provide Missouri National Guard members with program briefings during annual training and inactive duty training periods; and
- (5) Allow Missouri National Guard members to designate or change beneficiaries under the program.

THE MILITARY COUNCIL (Section 41.220)

This bill repeals the Military Council, the duties of which included acting in an advisory capacity on matters provided by the Governor and the Adjutant General and making recommendations of appropriations for the needs of the militia and expending such appropriations.

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 Higher Education and Workforce Development
Department of Health and Senior Services
Department of Labor and Industrial Relations
Department of Mental Health
Department of Natural Resources
Department of Public Safety
 Division of Alcohol and Tobacco Control
 Capitol Police
 Fire Safety
 Office of the Director
 Missouri Gaming Commission
 Missouri Highway Patrol
 Missouri Veterans Commission
 State Emergency Management Agency
Department of Revenue
Department of Social Services
Joint Committee on Administrative Rules
Joint Committee on Public Employee Retirement
Legislative Research
Missouri Consolidated Health Care Plan
Missouri Ethics Commission
Missouri Lottery Commission
Missouri Department of Agriculture
Missouri Department of Conservation
Missouri Department of Transportation
Missouri House of Representatives
Missouri National Guard
Missouri Senate
MoDOT & Patrol Employees' Retirement System
Missouri State Employee's Retirement System
Office of Administration
 Budget and Planning
 Administrative Hearing Commission
 Facilities Management, Design and Construction
 Purchasing Division
Office of the 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
Oversight Division

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State Tax Commission
University of Missouri System
City of Kansas City
Phelps County Sheriff
Branson Police Department
Kansas City Police Department
St Louis County Police Department
Eastern Clay County Ambulance District
Northwest Missouri State University
University of Central Missouri



Julie Morff
Director
May 29, 2026



Jessica Harris
Assistant Director
May 29, 2026