

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 7275H.02I
Bill No.: HB 3354
Subject: Public Assistance; Disabilities
Type: Original
Date: March 4, 2026

Bill Summary: This proposal modifies the tax levy for blind pensions.

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
Blind Pension Fund	(\$34,683,121)	(\$34,683,121)	(\$34,683,121)
Total Estimated Net Effect on <u>Other</u> State Funds	(\$34,683,121)	(\$34,683,121)	(\$34,683,121)

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

§209.130 – Tax Levies for Blind Pensions

Officials from the **Department of Social Services (DSS)** note Article III, Section 38(b) of the Missouri Constitution requires the general assembly to provide an annual tax of not less than one-half of one cent nor more than three cents on the one hundred dollars of valuation of all taxable property to be levied and collected for the purpose of providing a fund to be appropriated and used for the pensioning of the deserving blind. The provisions of this legislation authorize the collection of less than what is constitutionally allowable. Therefore, FSD assumes that the provisions could not be enacted and there would be no fiscal impact to the BP fund.

Officials from the **Office of Administration - Budget and Planning** state this proposal would become effective until August 28, 2026. Property tax bills are not sent to taxpayers until November. Therefore, B&P assumes that this lower tax rate could be enacted for tax year 2026 property tax liabilities.

This proposal would reduce the Blind Pension Trust Fund levy from \$0.03 per \$100 assessed value to \$0.00275 per \$100 assessed value. B&P notes that Article III, Section 38(b) allows the property tax rate to be between \$0.005 to \$0.03. This proposal would set the rate below that \$0.005 minimum.

It is unclear what levy would be applied if this proposal were to become effective. Therefore, B&P will reflect the potential impact as a range from \$0, the current levy rate remains effective, to the constitutional minimum rate takes effect.

In FY 2025, the Blind Pension Trust Fund received \$41,619,745 in property tax revenue. Had the Blind Pension levy been \$0.005 per \$100 value, the Blind Pension Fund would have received \$6,936,624 in property tax revenue. Therefore, B&P estimates that this proposal could reduce the Blind Pension Fund by \$0 to \$34,683,121 annually starting FY27.

Oversight is uncertain how this proposal would impact the Blind Pension Fund. Therefore, Oversight will reflect the estimate as provided by Office of Administration - Budget and Planning.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
BLIND PENSION FUND			
<u>Revenue Loss</u> – DSS (§209.130) from a reduction in the levy	(\$34,683,121)	(\$34,683,121)	(\$34,683,121)
ESTIMATED NET EFFECT ON THE BLIND PENSION FUND	(\$34,683,121)	(\$34,683,121)	(\$34,683,121)

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	\$0	\$0	\$0

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

Currently, the levy for blind pensions is set at a rate of \$0.03 per \$100 valuation of taxable property.

This bill changes the levy to two hundred seventy-five ten thousandths of one cent, or 0.0275.

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 Social Services
 Office of the State Treasurer



Julie Morff
 Director
 March 4, 2026

KLS:LR:OD



Jessica Harris
 Assistant Director
 March 4, 2026