

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 7346H.03C
 Bill No.: HCS for HB 3470
 Subject: Office of Administration; State Departments
 Type: Original
 Date: April 24, 2026

Bill Summary: This proposal establishes the "Charity Act".

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue*	Could exceed (\$32,886)	Could exceed (\$6,742)	Could exceed (\$6,911)
Total Estimated Net Effect on General Revenue	Could exceed (\$32,886)	Could exceed (\$6,742)	Could exceed (\$6,911)

*Participating departments/agencies' job duties and responsibilities may require additional funding to implement the requirements of this proposal. Oversight assumes the cost would not exceed \$250,000.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Various State 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)

*Participating departments/agencies' job duties and responsibilities may require additional funding to implement the requirements of this proposal. Oversight assumes the cost would not exceed \$250,000.

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

§660.365 - "Charity Act"

Officials from the **Department of Social Services (DSS)** assume the only cost to their department is OA-ITSD cost of \$32,886 in FY 2027, \$6,742 in FY 2028 and \$6,911 in FY 2029.

Officials from the **Office of Administration (OA)** assume their agency will be responsible for building a website and application to support the program. OA-ITSD estimates the website and application support to cost approximately \$28,690.

For fiscal note purposes, **Oversight** will reflect the estimated cost as provided by DSS/OA-ITSD.

Officials from the **Department of Corrections (DOC)** assume section 660.365 creates the "Hope Missouri" office, who will establish a plan and network to provide help to individuals needing to obtain stable employment, meet basic needs, and find stable housing, among other goals. The legislation stipulates that this office will use participating state agencies to serve the individuals in need, and that these agencies shall use existing resources and personnel.

It is unknown whether the Department of Corrections would be identified as a participating agency, and if so, what duties the department would be responsible for. Therefore, the operational and fiscal impact of this legislation is unknown.

Officials from the **Department of Labor and Industrial Relations (DOLIR)** assume this proposal could have a minimal impact, however in the event OA, per the proposed legislation, identified DOLIR for participation in this act, additional GR would be required due to existing DOLIR funding being program specific. That is, DOLIR is nearly 100% federal and other funds that are specified in federal and state law for the administration of the programs they fund. For example, Unemployment Insurance is primarily funded from federal funds and those funds can only be used for UI administration. Similarly, Workers Compensation is funded through insurance premiums paid by businesses and the resulting WC admin fund can only be used for WC administration.

Officials from the **Office of the Governor** assume this bill adds to the Governor's current load of duties. Individually, additional requirements should not fiscally impact the Office of the Governor. However, the cumulative impact of additional duties across all enacted legislation may require additional resources for the Office of the Governor.

Oversight notes subsection 4(b) encourages all participating state departments and agencies to use existing resources, to the extent possible, to operate the Charity Act. Oversight assumes all state departments and agencies are required to participate in this program. Since it is unknown

how many individuals will seek assistance and resources and in addition, job duties and responsibilities of state departments and agencies are unknown, Oversight will range the fiscal impact as \$0 or (Unknown) to Various State Funds. In the absence of additional information, Oversight assumes the cost would not exceed \$250,000.

Officials from the **Department of Revenue (DOR)** anticipate being able to utilize existing resources if chosen to participate in the program. If the impact is more significant than anticipated, funding may be requested through the appropriations process.

Officials from the DOR assume the cost of this proposal can be absorbed with existing resources. **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 a previous version, officials from the **Office of Attorney General (AGO)** assumed 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 will reflect a zero impact in the fiscal note for this agency.

Officials from the **Department of Health and Senior Services (DHSS)** assume section 660.365.4 of the proposed legislation requires all state agencies to participate in the "Charity Act" as directed by the governor. State agencies will help families become self-sufficient through referral to community and state resources. The legislation requires state agencies to use existing resources and personnel to participate in the program.

It is assumed that the Department can absorb the costs of this portion of the bill with current resources. However, if the workload significantly increased or other legislation was enacted, additional resources would be requested through the appropriation process.

Officials from the DHSS assume the cost of this proposal can be absorbed with existing resources. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Task Force on the Protection of Children and Families

Officials from the **Missouri State Senate** anticipate a negative fiscal impact to reimburse 3 Senators for travel to Protection of Children and Families task force meetings. Details are in the attached analysis. In summary, it will cost approximately \$535.50 each time the task force meets outside of the legislative session.

Oversight assumes the newly created task force will require travel and per diem expenses reimbursement to both the Missouri Senate and the Missouri House of Representatives.

Oversight assumes the cost of this portion of the proposal can be absorbed within existing resources and therefore will not reflect a cost.

Responses regarding the proposed legislation as a whole

Officials from the **Office of Administration - Administrative Hearing Commission, Department of Commerce and Insurance, Department of Economic Development, Department of Elementary and Secondary Education, Department of Higher Education and Workforce Development, Department of Natural Resources, Department of Public Safety (Capitol Police, Fire Safety, Director’s Office, Missouri Gaming Commission, Missouri Highway Patrol, State Emergency Management Agency, Division of Alcohol and Tobacco Control, Missouri Veterans Commission), Missouri Department of Conservation, Missouri Department of Transportation, Missouri National Guard, Office of the State Public Defender, MoDOT & Patrol Employees’ Retirement System, Office of the State Treasurer, University of Missouri, Joint Committee on Administrative Rules, Joint Committee on Public Employee Retirement, Legislative Oversight, Oversight Division, Missouri Lottery Commission, Missouri Consolidated Health Care Plan, Missouri State Employee's Retirement System, State Tax Commission, Office of the Secretary of State, Office of the State Courts Administrator, Office of the Lieutenant Governor and Office of the State Auditor** each assume the proposal will have no fiscal impact on their respective organizations.

In response to a previous version, officials from **Missouri Ethics 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.

Officials from the **Department of Mental Health and Missouri Department of Agriculture** and defer to the Office of Administration for the potential fiscal impact of this proposal.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
<u>Cost – DSS-ITSD (§660.365) Website & Application Cost p. 3-4</u>	(\$32,886)	(\$6,742)	(\$6,911)
<u>Cost – Charity Act (§660.365) p.3-4*</u>	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE	Could exceed (\$32,886)	Could exceed (\$6,742)	Could exceed (\$6,911)

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
VARIOUS STATE FUNDS			
<u>Cost – Charity Act (§660.365) p.3-4*</u>	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON VARIOUS STATE FUNDS	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

*Participating departments/agencies’ job duties and responsibilities may require additional funding to implement the requirements of this proposal.

<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 bill establishes the “Charity Act”. The bill requires the Department of Social Services to coordinate with various state agencies and a partner network to assist participants in achieving personal goals, self-sufficiency, community integration, and a prosperous future.

The bill creates the "Charity" program within the Department of Social Services. Participation in the Program is limited to legal residents who are 18 years of age or older, except as otherwise specified in the bill. State departments and agencies are required to participate in the Program at the direction of the Governor. In order to use government resources more effectively and efficiently, participating State departments and agencies must use existing resources and personnel, to the extent possible, to operate the Charity program.

This bill establishes the "Task Force on the Protection of Children and Families". The Task Force is composed of three members from the House of Representatives, three members from the Senate, and three members appointed by the Governor. The Task Force's purpose is to implement the provisions of the Charity program, safeguard children by providing rigorous oversight of prevention efforts, and ensure accountability, transparency, and continuous improvement across all systems responsible for protecting children from abuse. Other responsibilities of the Task Force are outlined in the bill.


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

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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 Public Defender
Office of the State Treasurer
Office of the State Auditor
State Tax Commission



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