

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4958S.01I
 Bill No.: SB 1013
 Subject: Department of Economic Development; Employees - Employers; Department of Higher Education and Workforce Development; Military Affairs; Veterans
 Type: Original
 Date: March 29, 2022

Bill Summary: This proposal modifies the Show-Me Heroes Program to provide for grants for veteran apprenticeship training programs.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Show Me Heroes Fund*	\$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)

*Oversight assumes the fiscal impact would not reach the \$250,000 threshold if the Department of Higher Education and Workforce Development implemented this grant option.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
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 2023	FY 2024	FY 2025
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§620.515 –Modifications for veteran apprenticeship training programs in Show-Me Heroes Program

Officials from the **Department of Economic Development**, the **Department of Higher Education and Workforce Development**, the **Department of Public Safety, Missouri National Guard**, the **University of Missouri System**, the **University of Central Missouri**, **Metropolitan Community College** and **St. Charles Community College** 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 notes the provisions of this proposal in §620.515.2 statutorily changes the department that operates the Show-Me Heroes Program from the Department of Economic Development to the Department of Higher Education and Workforce Development (DHEWD). In addition, Oversight notes the provisions of the proposal are permissive and do not require the DHEWD to award grants through the program..

Oversight obtained additional information on the Show-Me Heroes Program from the DHEWD. The Show-Me Heroes Program offers on-the-job training (OJT) for military service members that have been deployed for at least four months and are not over five (5) years post-separation or return from deployment. The program connects businesses with veterans and reimburses up to 50% of the wages of workers hired through the program for up to 1,040 hours of OJT.

DHEWD officials state this program has served a total of 7 participants, statewide, in the past 15 months and have served a total of 40 participants since 2016. Not all local workforce boards have had participants. Below is a table of those regions that did:

<u>Region</u>	
Central	1
NE	1
Ozark	3
S Central	0
SE	0
St. Charles	1
STL County	0
SW	0
W Central	1
<u>Total Served</u>	7

Oversight notes the following expenditures from the Show Me Heroes Fund (0995):

FY 2021	\$ 578
FY 2020	\$49,768
FY 2019	\$80,678
FY 2018	\$64,339

Oversight notes HB 3 from 2021 (FY 2022 budget) has a \$500,000 appropriation (3.140) from the Show-Me Heroes Fund. Oversight also notes the introduced version of HB 3003 in 2022 also has a \$500,000 appropriation (3.150), however from Federal Funds. For simplicity, Oversight will reflect a potential cost to the Show-Me Heroes Fund from the expansion of the program allowing the awarding of grants to nonprofit organizations that facilitate the participation in apprenticeship training programs. Based on past limited usage of the program, Oversight assumes the fiscal impact of this change will not reach the \$250,000 threshold.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other colleges and universities were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
SHOW ME HEROES FUND			
<u>Cost</u> – expansion of the program to allow (may) grants to nonprofit organizations	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT TO THE SHOW ME HEROES FUND	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

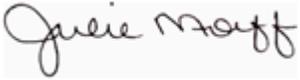
The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

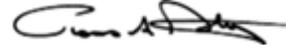
SOURCES OF INFORMATION

Department of Economic Development
 Department of Higher Education and Workforce Development
 Department of Public Safety –
 Missouri National Guard
 University of Missouri System
 University of Central Missouri
 Metropolitan Community College
 St. Charles Community College

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