

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4228S.01I
 Bill No.: SB 786
 Subject: Department of Public Safety; Law Enforcement Officers and Agencies; State
 Treasurer
 Type: Original
 Date: January 18, 2022

Bill Summary: This proposal establishes a reimbursement program for peace officer training.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2023	FY 2024	FY 2025	Fully Implemented (FY 2027)
General Revenue*	(\$67,375)	(\$1,362,282)	(\$2,646,952)	(\$5,216,313)
Total Estimated Net Effect on General Revenue	(\$67,375)	(\$1,362,282)	(\$2,646,952)	(\$5,216,313)

*The Peace Officer Basic Training Tuition Reimbursement Program is entirely subject to appropriation.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2023	FY 2024	FY 2025	Fully Implemented (FY 2027)
Peace Officer Basic Training Tuition Reimbursement*	\$0	\$0	\$0	\$0
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0	\$0

*Transfers In and disbursements net to zero.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2023	FY 2024	FY 2025	Fully Implemented (FY 2027)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2023	FY 2024	FY 2025	Fully Implemented (FY 2027)
General Revenue	1 FTE	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE	1 FTE

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	Fully Implemented (FY 2027)
Local Government	\$0	Less than \$1,284,000	Less than \$2,568,000	Less than \$5,136,000

FISCAL ANALYSIS

ASSUMPTION

§§590.1070 and 590.1075 – Peace officer tuition reimbursement program

Officials from the **Department of Public Safety - Office of the Director (DPS)** state POST's role in this proposed legislation can be completed with a one (1) FTE Senior Program Specialist. The Senior Program Specialist position would be needed once the legislation passes in order to begin the process of setting up administrative rules and procedures to be ready in the event the funding is appropriated.

Oversight assumes individuals, state and local agencies will utilize the tuition reimbursement program; therefore, Oversight will present DPS' impact to the General Revenue Fund.

Oversight notes to be eligible to receive tuition reimbursement, a person shall be initially employed as a peace officer on or after September 1, 2022, submit an initial application for tuition reimbursement needs, and meet the criteria outlined in provisions of this bill to include employer verification of the person's employment as a full-time peace officer in this state for at least one year and the person's current employment as a peace officer in this state as of the date of the application. Government entities can also receive tuition reimbursement under the provisions of this bill even if the individual is no longer employed by the government entity as long as the individual for whom tuition was paid is still continuously employed as a full-time peace officer.

The total amount of tuition reimbursement provided to an eligible person or government entity with respect to an employee, shall not exceed \$6,000 per person or employee. In order to receive the full amount of tuition paid, reimbursements will be made over a four-year period of continuous employment.

Oversight assumes reimbursement will be equal to the amount appropriated and the net effect will be zero to all funds except General Revenue.

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.

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.

Officials from the **Department of Natural Resources**, the **Department of Public Safety – (Capitol Police and Missouri Highway Patrol)**, the **Department of Social Services**, the **Missouri Department of Conservation**, the **Office of the State Treasurer**, the **St. Louis County Police Department**, and the **Phelps County Sheriff’s Department** assume the proposal will have no fiscal impact on their 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 received from state agencies and political subdivisions; however, other police and sheriff’s departments were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in Oversight’s database is available upon request.

According to DPS’s budget submission, POST issued the following number of licenses per year:

CY 2018	1,147
CY 2019	1,153
CY 2020	996
CY 2021	934

This averages to roughly 1,058 licenses issued per year. However, also in the budget submission, DPS later noted that the POST Program issues approximately 1,070 new peace officer licenses every calendar year. For purposes of the fiscal note, Oversight will assume 1,070 new peace officers each year will qualify for this program. Oversight will also assume all 1,070 of the new officers (or their hiring local political subdivision) paid \$6,000 or more for their training and 80% of the new licensees will remain full time peace officers after 1 year. Therefore, with these assumptions, Oversight calculates the annual payments out of the fund for each annual class would be 1,070 x 80% (still employed as full-time peace officers) x \$6,000 (max tuition reimbursement) x 25% (reimbursement spread over 4 years) = \$1,284,000.

Therefore, Oversight assumes a cumulative impact to General Revenue that will be fully implemented in FY 2027 with four classes impacting the program (25% per year).

	FY ‘23	FY ‘24	FY ‘25	FY ‘26	FY ‘27
1 st year licensees	\$0	\$1,284,000	\$1,284,000	\$1,284,000	\$1,284,000
2 nd year licensees		\$0	\$1,284,000	\$1,284,000	\$1,284,000
3 rd year licensees	\$0	\$0	\$0	\$1,284,000	\$1,284,000
4 th year licensees	\$0	\$0	\$0	\$0	\$1,284,000
TOTAL	\$0	\$1,284,000	\$2,568,000	\$3,852,000	\$5,136,000

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025	Fully Implemented (FY 2027)
GENERAL REVENUE FUND				
<u>Cost – DPS p. 3 (§§590.1070 and 590.1075) Administer POST Tuition Reimbursement Program</u>				
Personal services	(\$39,245)	(\$47,565)	(\$48,041)	(\$49,006)
Fringe benefits	(\$24,742)	(\$29,861)	(\$30,034)	(\$30,385)
Equipment and expense	(\$3,388)	(\$856)	(\$877)	(\$922)
<u>Total cost - DPS</u>	<u>(\$67,375)</u>	<u>(\$78,282)</u>	<u>(\$78,952)</u>	<u>(\$80,313)</u>
FTE Change - DPS	1 FTE	1 FTE	1 FTE	1 FTE
<u>Transfer Out – p. 3-4 (§§590.1070 and 590.1075) To POST Reimbursement Fund</u>	\$0	(\$1,284,000)	(\$2,568,000)	(\$5,136,000)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$67,375)</u>	<u>(\$1,362,282)</u>	<u>(\$2,646,952)</u>	<u>(\$5,216,313)</u>
Estimated Net FTE Change on the General Revenue Fund	1 FTE	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025	Fully Implemented (FY 2027)
PEACE OFFICER BASIC TRAINING REIMBURSEMENT FUND				
<u>Transfer In – p. 3-4 (§§590.1070 and 590.1075) From General Revenue</u>	\$0	\$1,284,000	\$2,568,000	\$5,136,000
<u>Cost - (§§590.1070 and 590.1075) Reimbursement to individuals or departments for basic law enforcement training p. 3-4</u>	\$0	(Unknown)	(Unknown)	(Unknown)
<u>Transfer Out - p. 3-4 (§§590.1070 and 590.1075) Local Political Subdivisions (Police and Sheriff’s Departments)</u>	\$0	<u>(Less than \$1,284,000)</u>	<u>(Less than \$2,568,000)</u>	<u>(Less than \$5,136,000)</u>
ESTIMATED NET EFFECT ON THE PEACE OFFICER BASIC TRAINING TUITION REIMBURSEMENT FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT</u> – <u>Local</u> <u>Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025	Fully Implemented (FY 2027)
POLICE AND SHERIFF'S DEPARTMENTS				
<u>Transfer In -</u> (§§590.1070 and 590.1075) From Peace Officer Basic Training Reimbursement Fund p. 3-4	\$0	<u>Less than</u> \$1,284,000	<u>Less than</u> \$2,568,000	<u>Less than</u> \$5,136,000
ESTIMATED NET EFFECT ON POLICE AND SHERIFF'S DEPARTMENTS	\$0	<u>Less than</u> \$1,284,000	<u>Less than</u> \$2,568,000	<u>Less than</u> \$5,136,000

FISCAL IMPACT – Small Business

This proposal could impact certain small businesses that provide training to law enforcement agencies or departments.

FISCAL DESCRIPTION

This act establishes the "Peace Officer Basic Training Tuition Reimbursement Program" within the Department of Public Safety.

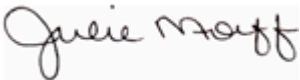
This program shall provide reimbursement for qualifying Missouri residents or government entities who have paid tuition at a state licensed training center required for peace officer licensure. The POST Commission shall be responsible for the implementation of this program as provided in the act. Tuition reimbursement shall be subject to the availability of funds and shall be available to certain full-time peace officers as provided in the act.

Finally, this act establishes the "Peace Officer Basic Training Tuition Reimbursement Fund" which shall consist of money appropriated by the General Assembly and any gifts or donations.

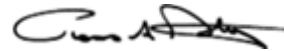
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Natural Resources
Department of Public Safety
Department of Social Services
Missouri Department of Conservation
Joint Committee on Administrative Rules
Office of the Secretary of State
Office of the State Treasurer
St. Louis County Police Department
Phelps County Sheriff's Department



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January 18, 2022



Ross Strobe
Assistant Director
January 18, 2022