

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4624H.011
 Bill No.: HB 2272
 Subject: State Departments; Counties; Department of Natural Resources
 Type: Original
 Date: April 5, 2024

Bill Summary: This proposal establishes a method and proportion of remittances of state department revenues from management of state natural resources.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
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)

*Oversight assumes amounts directed from the state departments to the counties and school districts (if any) could reach the \$250,000 threshold.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
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 2025	FY 2026	FY 2027
Local Government	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Department of Conservation (MDC)** assume a negative unknown fiscal impact.

Officials from the **Department of Natural Resources, Office of Administration - Administrative Hearing Commission, Office of Administration - Budget and Planning, 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 Mental Health, Department of Corrections, Department of Labor and Industrial Relations, Division of Alcohol and Tobacco Control, Capitol Police, Division of Fire Safety, Department of Public Safety – Director’s Office, Missouri Gaming Commission, Missouri Highway Patrol, Missouri Veterans Commission, State Emergency Management Agency, Department of Social Services, Missouri Department of Agriculture, Missouri Ethics Commission, Missouri Department of Transportation, Missouri National Guard, Office of Administration, Office of the State Public Defender, MoDOT & Patrol Employees’ Retirement System, Missouri Consolidated Health Care Plan, Missouri State Employee's Retirement System, Missouri Lottery Commission, Missouri Higher Education Loan Authority, Petroleum Storage Tank Insurance Fund, Office of the State Treasurer, Office of the Governor, University of Missouri, Joint Committee on Administrative Rules and State Tax Commission** 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 is unable to determine if any state department collects revenues exceeding amounts set by statute.

Oversight will reflect the fiscal impact as \$0 (voters do not approve the constitutional amendment or no state department is required to remit excess to counties) to an “Unknown” amount of revenue distributed to counties and schools.

Officials from **Office of the Secretary of State** assume, each year, a number of joint resolutions that would refer to a vote of the people a constitutional amendment and bills that would refer to a vote of the people the statutory issue in the legislation may be considered by the General Assembly.

Unless a special election is called for the purpose, Joint Resolutions proposing a constitutional amendment are submitted to a vote of the people at the next general election. Article XII section 2(b) of the Missouri Constitution authorizes the governor to order a special election for constitutional amendments referred to the people.

If a special election is called to submit a Joint Resolution to a vote of the people, section 115.063.2 RSMo requires the state to pay the costs. The cost of the special election has been estimated to be \$8 million based on the cost of the 2022 primary and general election reimbursements.

The Secretary of State’s office is required to pay for publishing in local newspapers the full text of each statewide ballot measure as directed by Article XII, Section 2(b) of the Missouri Constitution and Section 116.230-116.290, RSMo. Funding for this item is adjusted each year depending upon the election cycle. A new decision item is requested in odd numbered fiscal years and the amount requested is dependent upon the estimated number of ballot measures that will be approved by the General Assembly and the initiative petitions certified for the ballot. In FY 2014, the General Assembly changed the appropriation so that it was no longer an estimated appropriation.

For the FY25 petitions cycle, the SOS estimates publication costs at \$60,000 per page. This amount is subject to change based on number of petitions received, length of those petitions and rates charged by newspaper publishers.

The Secretary of State’s office will continue to assume, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. Because these requirements are mandatory, the SOS reserves the right to request funding to meet the cost of the publishing requirements if the Governor and the General Assembly again change the amount or continue to not designate it as an estimated appropriation.

Oversight will reflect the potential election costs (up to \$10 million for a special election) on the fiscal note of a related joint resolution.

<u>FISCAL IMPACT – State Government</u>	FY 2025	FY 2026 (6 Mos.)	FY 2027
VARIOUS STATE FUNDS			
<u>Loss – administrative fees exceeding amounts set by statute</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
ESTIMATED NET EFFECT ON VARIOUS STATE FUNDS	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
LOCAL POLITICAL SUBDIVISIONS			
<u>Revenue</u> – Counties and Schools – from various state departments	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill specifies that each state department that receive revenues in the course of its management of the state's natural resources may retain 25% of the revenues and remit the remaining 75% as follows:

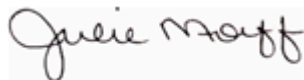
- (1) To the county general fund in the county in which the natural resources are located, 50%; and
- (2) To each school district in which the natural resources are located, 25%.

The provisions of this section become effective on January 1st of the year immediately following the passage and approval by the voters of a Constitutional amendment authorizing the General Assembly to enact laws for the remittance of state revenues from the management of the state's natural resources.

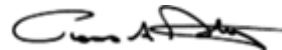
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Missouri Department of Conservation
Department of Natural Resources
Office of Administration - Administrative Hearing Commission
Office of Administration - Budget and Planning
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 Mental Health
Department of Corrections
Department of Labor and Industrial Relations
Department of Public Safety
Department of Social Services
Missouri Department of Agriculture
Missouri Ethics Commission
Missouri Department of Transportation
Missouri National Guard
Office of Administration
Office of the State Public Defender
Attorney General's Office
MoDOT & Patrol Employees' Retirement System
Missouri Office of Prosecution Services
Missouri Consolidated Health Care Plan
State Tax Commission
Missouri State Employee's Retirement System
Missouri Lottery Commission
Office of the State Treasurer
Office of the Governor
Missouri Higher Education Loan Authority
University of Missouri
Petroleum Storage Tank Insurance Fund



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April 5, 2024



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April 5, 2024