

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5921S.03C
 Bill No.: SCS for SB 1468
 Subject: Cities, Towns, and Villages; Property, Real and Personal; Religion; Counties;
 Political Subdivisions
 Type: Original
 Date: April 2, 2024

Bill Summary: This proposal modifies provisions relating to the condemnation of property.

FISCAL SUMMARY

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

*Impact from this proposal could exceed the \$250,000 threshold.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Other State Funds*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
State Road Fund*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on <u>Other State Funds</u>	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

*Impact from this proposal could exceed 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

§§67.015 & 88.073 – Condemnation of Property

Officials from the **Missouri Department of Transportation (MoDOT)** assume if this proposal is approved, it would prevent MoDOT as well as all governmental agencies in Missouri from delivering infrastructure improvement projects by restricting the use of eminent domain towards churches and other religious or non-profit entities. Additional costs would be incurred because projects would need to be designed and constructed to avoid these entities, or current projects could risk being cancelled if they are unable to be delivered. This proposal would have an unknown fiscal impact on the State Road Fund.

Oversight does not have information to the contrary and therefore, Oversight will reflect a potential impact to the State Road Fund. Oversight is unclear on how many other funds may be impacted by the same costs, therefore, Oversight will also reflect a \$0 or Unknown cost to the General Revenue Fund and Other State Funds for this proposal.

Officials from **Kansas City** assume a negative impact of an indeterminate amount.

In response to a previous version, officials from the **City of Springfield** assumed a negative fiscal impact, but the degree of impact is uncertain.

Officials from the **Department of Commerce and Insurance**, the **Department of Economic Development**, the **Department of Natural Resources**, the **Missouri Department of Agriculture**, the **Office of Administration**, the **State Tax Commission** and the **Office of the Secretary of State** 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 only reflects the responses received from state agencies and political subdivisions; however, other cities and counties 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 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE			
<u>Costs – State Agencies – additional costs by restricting the use of eminent domain §§67.015 & 88.073</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
OTHER STATE FUNDS			
<u>Costs – Other State Agencies – additional costs by restricting the use of eminent domain §§67.015 & 88.073</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
ESTIMATED NET EFFECT ON OTHER STATE FUNDS	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
STATE ROAD FUND			
<u>Costs – MoDOT – additional costs by restricting the use of eminent domain §§67.015 & 88.073</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
ESTIMATED NET EFFECT ON STATE ROAD FUND	<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>Costs</u> – cities/counties/etc. – additional costs by restricting the use of eminent domain §§67.015 & 88.073	<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

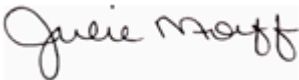
Under current law, municipalities may acquire property for municipal purposes by eminent domain.

This act provides that government entities shall not have the right to condemn lands owned by a church, synagogue, mosque, or other religious organization unless such condemnation is for the development of a public utility.

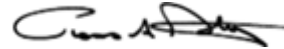
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Department of Transportation
Kansas City
Springfield
Department of Commerce and Insurance
Department of Economic Development
Department of Natural Resources
Missouri Department of Agriculture
Office of Administration
State Tax Commission
Office of the Secretary of State



Julie Morff
Director
April 2, 2024



Ross Strobe
Assistant Director
April 2, 2024