

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1197-01
Bill No.: SB 222
Subject: Appropriations; Administration, Office of
Type: Original
Date: February 17, 2007

Bill Summary: This proposal requires the balance of all state funds to be transferred and credited to the state general revenue fund if state revenue does not increase by more than 2%.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	\$0 OR Greater Than \$1,139,407,477		
Total Estimated Net Effect on General Revenue Fund	\$0 OR Greater Than \$1,139,407,477	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
MDA Funds	(\$6,304,640)		
DHE Funds	(\$404,025)		
DESE Funds	(\$176,145,860)		
DHSS Funds	(\$4,277,999)		
DPS Funds	(\$8,851,574)		
OA Funds	(\$81,000)		
DOL Funds	(\$41,722,865)		
DHT Funds	(\$3,645,654)		
SOS Funds	(\$2,749,381)		
DMH Funds	(\$3,998,625)		
DED Funds	(\$20,200,000)		
VET Funds	(\$29,723,142)		
DNR Funds	(\$38,000,000)		
Gaming Funds	(\$29,098,136)		
STO Funds	(\$1,300,000)		
DOS/DBF Funds	(\$190,243,879)		
DOS/DMS Funds	(\$578,946,691)		
CTF Funds	(\$3,714,006)		
Total Estimated Net Effect on <u>Other</u> State Funds	(\$0 OR Greater Than \$1,139,407,477)		

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 20 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
DOLIR Funds	(\$401,739,361)		
DOS/DMS Funds	(\$961,624,600)		
Total Estimated Net Effect on <u>All</u> Federal Funds	(\$0 or Greater Than 1,363,363,961)	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight assumes that if the state revenue **increases** by more than 2% then there would be **NO** fiscal impact on the state funds.

Oversight is charged with determining the cost of any legislative proposal. In order to accurately determine the cost of this proposal Oversight must assume for this note that the state revenues **do not increase** by more than 2% and therefore the provisions of this proposal are in effect for Fiscal Year 2008.

Oversight asked the state agencies to determine which funds would be effected and by how much. Since they can not predict their future fund balances we asked that they provide us with either their January through June 2006 or 2007 balances. The figures provided are representative of the amount that may be effected. Oversight recognizes that the true cost of this proposal could be much greater than the amount predicted.

For this note, **Oversight** is only showing the sweep of funds occurring in Fiscal Year 2008. Many of the funds listed in this note would have little or no money left if a second sweep of funds would occur. Agencies that were able to predict multiple year amounts are listed in this note but Oversight only calculated the totals for the first year.

Additionally, **Oversight** is only reporting the case transfers from the funds. Additional savings from personnel reductions and lower equipment and expense costs may occur as a result of this proposal. However, those savings are unknown and have not been calculated.

The fiscal impact of this proposal is either \$0 or Greater than \$1,139,407,477 depending on if the revenues increase by the 2% amount or not.

ASSUMPTION (continued)

Officials at the **Missouri Department of Agriculture (MDA)** assume they currently administer 30 different fee funds. These fee funds are dedicated to covering the costs of services provided to those paying the associated fees. If these fee fund revenues are deposited into the general revenue fund, the department would need GR appropriations to replace the fee fund appropriations it currently receives to administer these programs. Otherwise, services to the fee-paying community would be reduced or eliminated. To illustrate the potential fiscal impact, this analysis assumes the provisions are in effect as of January 1, 2007. The following funds would be effected as follows:

MDA Funds	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010
Other MDA Funds	(\$505,611)	(\$505,611)	(\$505,611)
Animal Care Fund	(\$244,594)	(\$244,594)	(\$244,594)
Milk Inspection Fees	(\$598,416)	(\$598,416)	(\$598,416)
Marketing Development	(\$709,023)	(\$709,023)	(\$709,023)
Grain Inspection	(\$776,404)	(\$776,404)	(\$776,404)
Petroleum Inspection Fees	(\$1,333,912)	(\$1,333,912)	(\$1,333,912)
State Fair Fees	(\$2,136,680)	(\$2,136,680)	(\$2,136,680)
Total MDA Funds	(\$6,304,640)	(\$6,304,640)	(\$6,304,640)

The quality and availability of fee-funded services would likely decline throughout the state under this proposal. Fee funded programs would face increasing pressure to reduce their fees to match the level of program services, thereby reducing total state revenue in the long run.

Officials at the **Missouri Gaming Commission** assume this legislation could jeopardize funding for not only the Gaming Commission but each program that receive a portion of the admission fee collected from the gaming boats. The Gaming Commission collects this fee and distributes the money to various funds. The Gaming Commission used as its figures the transfers it made to these various funds from January - June 2006. The following funds and the effect are listed:

ASSUMPTION (continued)

Early Childhood Development Educ and Care Fund = \$24,353,386
 Veterans Capitol Improvement Fund = \$3,000,000
 MO National Guard Trust Fund = \$1,000,000
 MO College Guaranty Fund = \$500,000
Compulsive Gambler Fund = \$244,750
 TOTAL TRANSFERS = \$29,098,136

Officials at the **Department of Health and Senior Services (DHSS)** assume the impact this proposal would have on the department is unknown but could be significant.

To determine the fiscal impact, DHSS determined all DHSS funds that would be subject to the sweep outlined in this legislation. The FY 2006 revenues were determined, and then divided by two to represent six months worth of revenue that could potentially be swept into the general revenue fund. An inflation factor of 3% was applied on the revenue estimates for the 2nd and 3rd years.

DHSS Funds	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010
Child Lead Test	(\$30,257)	(\$31,165)	(\$32,100)
DHSS Document	(\$435,013)	(\$448,063)	(\$461,505)
Nurs Loans	(\$42,873)	(\$44,159)	(\$45,484)
MOPHS	(\$2,918,185)	(\$3,005,731)	(\$3,095,902)
Mammography	(\$50,533)	(\$52,049)	(\$53,610)
HAIF	(\$62,597)	(\$64,475)	(\$66,409)
NFQC	(\$738,541)	(\$760,697)	(\$783,518)
DHSS Funds	(\$4,277,999)	(\$4,406,339)	(\$4,538,529)

Officials at the **Department of Higher Education (DHE)** assume that if the provisions of this bill are intended to apply to higher education grant and scholarship programs, this bill could result in a significant fiscal impact for DHE. The projected fund balances for these programs in FY 07 exceed \$1,500,000 and based on requests for increased appropriations for FY 08, this amount could increase. DHE assumes that funds that specifically state in statute that they can not revert to general revenue are exempted from this sweep of fund and therefore the scholarship

ASSUMPTION (continued)

funds are not listed. Therefore, although the amount is unknown and will vary, this proposal could have a significant fiscal impact for the department. The funds that are not exempt and would be effected are as follows:

Charles Gallagher Financial Assistance Program =	\$93,325
Academic Scholarship Program (Bright Flight) =	\$10,000
MO College Guarantee Program =	\$300,000
<u>Marguerite Ross Barnett Memorial Scholarship Program =</u>	<u>\$700</u>
Total DHE Funds =	\$404,025

Department of Public Safety

Officials at the **Alcohol and Tobacco Control** assume they have one fund that would be affected by a sweep of funds into general revenue at a loss of \$136,000.

Officials at the **Division of Fire Safety** assume they would have four programs and three funds effected by this legislation. The programs are the Amusement Ride Safety, Elevator Safety, Boiler & Pressure Vessel Safety Inspection, and Fire Education programs. Each of these programs serves small business to various degrees.

Officials at the **Missouri Highway Patrol** assume if this proposed legislation goes into effect, significant amounts of money would be lost, however the exact amount is unknown. To illustrate how much the Patrol would potentially loss if this law had been in effect, the following information is based on FY06 deposits that were made between January 1 and June 30 of 2006:

\$ 758,970	Highway Patrol Inspection
\$ 52,848	State Forensic Laboratory
\$3,123,589	Criminal Records System
\$ 160,998	Highway Patrol Academy
\$1,076,122	Vehicle/Aircraft Revolving
\$ 122,281	Traffic Records
\$ 11,751	Highway Patrol Expense Fund
<u>\$ 619,865</u>	<u>Criminal Justice Revolving</u>
\$5,926,424	TOTAL

ASSUMPTION (continued)

Officials at the **Office of the Adjutant General (OTAG)** assume the following funds would be effected:

Armory Revolving	\$ 14,000
Military Family Relief	\$ 30,000
Training Site	\$ 170,000
National Guard Trust	\$2,000,000
TOTAL	\$2,214,000

DPS Funds	Fiscal Year 2008
Tobacco Fund	(\$136,000)
Adjutant General Funds	(\$2,214,000)
Highway Patrol Funds	(\$5,926,424)
Elevator Safety Fund	(\$273,150)
Boiler & Pressure Vessel Fund	(\$227,000)
Fire Education	(\$75,000)
Total DPS Funds	(\$8,851,574)

Office of Administration

Officials at the **Division of Accounting** assume no fiscal impact from this proposal to their department.

Officials at the **Division of Purchasing & Materials Management (DPMM)** assume this bill could affect the State Recycling Program Fund at a cost of \$81,000.

Officials at the **Office of Administration's Information Technology Services Division** assume in FY 2008, as part of IT Consolidation, OA-ITSD will be appropriated money from at least 55 agency related fee funds affected by this proposal. The total amount of these appropriations is estimated to be \$5,416,542 and would be reported in each agency's figures.

Other considerations are increased costs included with administration efforts to track and

ASSUMPTION (continued)

separate financial fee information when recorded into the state's financial system (SAM II) but not separated by a fund number.

Officials at the **Office of Administration's Budget and Planning (BAP)** assume there should be no added cost to BAP as a result of this bill. There could be impact to the general revenue fund and other funds. If this proposal was existing law, the diversion would have been triggered four times over the last 20 years.

If other funds were deposited into general revenue, the transfers to the Budget Reserve Fund and to the Facilities Maintenance Reserve Fund made the following fiscal year would be greater than they would be without the additional funds. The increased transfer to the Budget Reserve Fund from general revenue would be 7.5 percent of the increased revenue, and the increased transfer to the Facilities Maintenance Reserve Fund from general revenue would be one percent of the increased revenue.

Officials at the **Missouri Department of Transportation (MoDOT)** assume the State Road Fund, State Highways and Transportation Department Fund, and State Road Bond Fund are all exempt from this proposal, but the Multimodal Funds for MoDOT are not. The negative fiscal impact on MoDOT funds for FY08 would be the projected ending cash balance for half of the year. In FY09 and FY10, we've assumed the state's general revenue does not increase by two percent, therefore the deposits from January through June of each year received would continue to go into the general revenue fund. The fiscal impact is as follows:

DHT Funds	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010
State Aviation Fund	(\$2,900,217)	(\$2,987,224)	(\$3,076,840)
State Trans Assist Revolving	(\$302,937)	(\$321,097)	(\$340,363)
Railroad Expenses	(\$442,500)	(\$460,200)	(\$478,608)
Light Rail Safety	Unknown	Unknown	Unknown
Total Transportation Funds	(\$3,645,654 to Unknown)	(\$3,768,521 to Unknown)	(\$3,895,811 to Unknown)

The fiscal impact for Light Rail Safety Fund is unknown because there is no cash balance in this fund, however there could be cash receipts in the future. If there were a serious accident on the

ASSUMPTION (continued)

light-rail Metrolink system, MoDOT would assess Bi-State for its cost of conducting an investigation and the receipts would be deposited in the Light Rail Safety Fund.

Officials at the **Children's Trust Fund (CTF)** assume an overall negative fiscal impact upon CTF would be substantial. CTF's budget averages \$3.2 to \$3.4 million annually. At the end of December 2006, CTF fund balance totaled \$3,714,006.21 with the majority of these funds being obligated to current grant recipients. These funds would be lost in a sweep of funds. Additionally a potential loss of federal grant funds for child/abuse neglect prevention (up to \$628,000 annually) if CTF is unable to match by 20%.

Officials at the **Department of Elementary and Secondary Education (DESE)** assume the following funds would be effected.

DESE Funds	Fiscal Year 2008
School District Bond Fund	(\$212,058)
Cert of Interpreters Fund	(\$72,810)
School Bldg Revolving Fund	(\$22)
Independent Living Fund	(\$224,262)
Gaming proceeds for Education Fund	(\$10,747,258)
Outstanding Schools Trust Fund	(\$134,551)
Bingo Proceeds for Educ Fund	(\$1,138,252)
Lottery Fund	(\$77,734,003)
MO Assistive Technology - Deaf Relay	(\$2,336,667)
Children's Trust Fund	(\$1,992)
State School Moneys Fund	(\$27,736,685)
Excellence in Educ Revolving Fund	(\$1,419,848)
Fair Share Fund	(\$1,521,352)
School Dist trust Fund	(\$36,198,836)

MO Comm for Deaf & Hard of Hearing	(\$8,656)
Classroom Trust Fund	(\$4,965,984)
Part C Early Intervention Fund	(\$182,046)
Early Childhood Dev Educ & Care Fund	(\$9,195,015)
MO Assistive Technology Loan Revolving Fund	(\$2,315,563)
Total DESE Funds	(\$176,145,860)

DESE is concerned that special trust funds and revolving funds could be impacted by this legislation. Money is given for a special purpose or specific revenue has been directed by statute to a particular fund. Taking the balance goes against the intent of the giver or the statute and the money would not be available for the purpose intended.

Officials at the **Department of Labor and Industrial Relations (DOLIR)** assume the fiscal impact is unknown. DOLIR has six Special Revenue funds (non General Revenue and non federal). The Tort Victims' Compensation, Crime Victims' Compensation and the Child Labor Enforcement Funds receive fines, penalties and court awards. The other three Special Revenue funds, the Workers' Compensation Fund (WCF), the Second Injury Fund (SIF) and the Special Employment Security Fund (SESF), collect a surcharge, tax or assessment.

If monies collected to pay the interest assessment from the SESF are diverted, the SESF will not have the monies necessary to pay the interest assessment due to the federal government. If the monies to pay the interest assessment are not available, the state will not be able to pay the required interest due to the federal government thereby placing the unemployment compensation (UC) program's certification in jeopardy.

Federal law requires, all employer contributions and reimbursements made in lieu of contributions to be deposited to the Unemployment Compensation Trust Fund. This fund is created in RSMo. 288.290, and there does not appear to be an exemption for these funds. Diverting these funds to general revenue would place Missouri's UC program out of conformity with federal law 3304(a)(3) FUTA - Immediate Deposit Standard & 3304(a)(4) FUTA - Withdrawal Standard. If the program fails to be certified, the federal administration funds the state receives to administer the UC program (approximately \$36 million annually) and the Federal Unemployment Tax Act (FUTA) credits Missouri employers receive (approximately \$900 million annually) would be lost.

ASSUMPTION (continued)

In completing the fiscal impact on the state, regarding those funds administered by DOLIR, we used the revenue data for the six months ended June 30, 2006. We estimated that three months of revenue could be diverted during FY 2008, 2009 and 2010. We used the same revenues estimate for each year.

The Division of Employment Security (DES) assumes that both the Unemployment Compensation Fund and the Special Employment Security fund would be subject to the proposed diversions. It appears that the Unemployment Compensation Administrative Fund would be exempted; however this fund would lose federal funding due to being out of conformity (approximately \$36 million annually). DOLIR funds effected are listed:

DOL Funds	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010
Tort Victims Compensation	(\$50,000)	(\$50,000)	(\$50,000)
Crime Victims' Compensation	(\$4,155,867)	(\$4,155,867)	(\$4,155,867)
Child Labor Enforcement Funds	(\$15,500)	(\$15,500)	(\$15,500)
Workers' Compensation Fund	(\$2,520,789)	(\$10,361,942)	(\$14,699,412)
Second Injury Fund	(\$33,929,997)	(\$33,929,997)	(\$33,929,997)
Special Employment Security Fund	(\$1,050,712)	(\$1,050,712)	(\$1,050,712)
Total DOL Funds	(\$41,722,865)	(\$49,564,018)	(\$53,901,488)

DOL Federal Funds	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010
UC Trust Fund	(\$365,739,361)	(\$340,306,298)	(\$340,235,355)
UC Admin Fund	(\$36,000,000)	(\$36,000,000)	(\$36,000,000)
Total DOL Federal Funds	(\$401,739,361)	(\$376,306,298)	(\$376,235,355)

ASSUMPTION (continued)

Officials at the **Office of the Secretary of State (SOS)** assume the following estimates for this diversion are based on FY 2006 actual revenues for such funds in the Office of Secretary of State.

- \$1,210,722 = Sec. Of State Technology Trust Fund
- \$870,255 = Local Records Preservation Fund
- \$8,071 = Investors Restitution Fund
- \$208,329 = Library Networking Fund
- \$452,004 = Investor Education and Protection Fund
- \$2,749,381 = TOTAL

The Wolfner Gift Trust Fund was established to take donations, bequests, and inheritances for the benefit of the Wolfner State Library for the Blind and Physically Handicapped. The Election Administration Improvement Fund (EAIF) was created to support activities related to implementing the federal Help America Vote Act. We are assuming that these funds would be exempt.

Officials at the **Department of Mental Health (DMH)** assume all funds utilized by the DMH, with the exception of the DMH Federal fund and the Department of Mental Health Trust fund, would be transferred to the state general revenue fund. The Family Support Loan Program Fund and the General Revenue Reimbursements Fund no longer have money appropriated to them so they are not listed. The Mental Health Inter-governmental Transfers Fund should be exempt and is not listed. This legislation would affect the following funds controlled by the DMH:

DMH Funds	Fiscal Year 2008
Mental Health Interagency Payments Fund	(\$1,965,000)
Mental Health Housing Trust Fund	(\$375)
Mental Health Earnings Fund	(\$2,033,250)
Total DMH Funds	(\$3,998,625)

Other funds that the department receives appropriations from but does not control the cash balances, such as the Healthy Family Trust fund, the Health Initiative fund, and the Inmate Revolving fund would be affected as well.

ASSUMPTION (continued)

Department of Economic Development

Officials at the **Missouri Arts Council (MAC)** assume that as of June 30, 2007, MAC's trust fund should be \$3.1 million. The Humanities trust fund should have \$2.7 million. If these funds are swept without a corresponding GR increase MAC will cease operations.

Officials at the **Public Service Commission (PSC)** assume the proposed legislation would require all PSC Fund, Manufactured Housing Fund and Deaf Relay Service Fund receipts beginning January 1 of the current fiscal year to be deposited into GR, through June 30.

An accurate dollar fiscal impact of this proposed legislation cannot be determined at this time. However, revenues for the 6-month period January 1, 2007 through June 30, 2007 for the PSC Fund, Manufactured Housing Fund, and Deaf Relay Service Fund are estimated to be \$7.0 million, \$0.4 million, \$2.5 million respectively for a total of \$9.9 million. The overall total fiscal impact would be an estimated range of \$9.9 million to \$14.5 million for fiscal year 2008 through fiscal year 2010.

Officials at the **Division of Business and Community Services** assume an unknown administrative and fiscal impact from this proposal.

Officials at the **Missouri Housing Development Commission** assume that in the event that state revenues do not increase then \$4.5 million would be transferred from the MO Housing Trust Fund.

Department of Social Services

Officials at the **Division of Medical Services (DOS/DMS)** assume the following funds would be effected:

\$448,600,277	Federal Reimbursement Allowance
\$ 9,461,145	Pharmacy Reimbursement Allowance
\$ 18,816,253	Medicaid Managed Care Org Reimbursement Allowance
<u>\$102,069,016</u>	<u>Nursing Facility Federal Reimbursement Allowance</u>
\$578,946,691	Total DOS/DMS Funds

An additional loss of \$961,624,600 in federal funds would occur if these funds were swept.

ASSUMPTION (continued)

Officials at the **Divison of Budget and Finance (DOS/DBF)** assumes the Uncompensated Care Fund, Facilities Maintenance Reserve Fund, Blind Pension, Youth Services Treatment Fund and the Division of Family Services Donations Fund would be exempt under this proposal. The following funds would be effected:

\$66,732,344	Pharmacy Rebates
\$10,810,729	Third Party Liability Collections (TPL),
\$11,786,053	Child Support Enforcement Collections (CSEC)
\$ 43,086	Nursing Facility Quality of Care (NFQC)
\$10,756,189	Health Initiatives
\$ 250,000	Gaming Commission
\$ 3,650,974	Department of Social Services Educational Improvement
\$64,779,494	Healthy Families Trust Fund
\$ 0	Youth Services Products
\$ 38,066	Missouri Rx Plan
\$ 7,257,325	Early Childhood Development, Education and Care
\$ 5,581,660	Premium
\$ 2,689,311	DOS Administrative Trust
\$ 52,878	Debt Offset Escrow
\$ 5,815,770	Alternative Care Trust
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\$190,243,879	Total DOS/DBF Funds

Officials at the **Department of Natural Resources (DNR)** assume if the growth does not exceed two percent, approximately \$38 million in revenue would be diverted and deposited into the General Revenue Fund from these funds:

Utilicare Stabilization	Natural Resources Revolving Services
Mo Air Emission Reduction	Stormwater Loan Revolving
Hazardous Waste Remedial	Historic Preservation Revolving
Missouri Air Pollution Control	Rural Water & Sewer Loan Revolving
Infectious Waste	DNR Cost Allocation Fund
Oil & Gas Remedial	Natural Resources Protection
State Parks Earnings	Recruitment/Retention Scholar
Biodiesel Revolving	Concent Animal Feeding
Solid Waste Mgmt-Scrap Tire	Controlled Substance Clean Up
Solid Waste Management	Mo Alternative Fuel Vehicle Loan
Metallic Minerals Waste Mgmt	Petroleum Violtn Escrw Int Sa
NRP-Air Pollution Asbestos Fee	Dry-Cleaning Environmental Response Trust

ASSUMPTION (continued)

Underground Stor Tank Reg Prog	Petroleum Storage Tank Insurance
NRP-Air Pollution Permit Fee	Safe Drinking Water Fund
Groundwater Protection	Environmental Improvement Authority
State Land Survey Program	Hazardous Waste Fund

Officials at the **Missouri Veterans Commission** assume that if the spending authority for these funds is not replaced by GR, then the programs listed below would be impacted.

Veteran Funds	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010
Home Fund	(\$24,859,828)	(\$24,859,828)	(\$24,859,828)
VCCITF	(\$4,792,799)	(\$4,792,799)	(\$4,792,799)
Veterans Trust Fund	(\$70,515)	(\$70,515)	(\$70,515)
Total Veteran Funds	(\$29,723,142)	(\$29,723,142)	(\$29,723,142)

Officials at the **Office of the State Treasurer (STO)** assume all funding sources could disappear for 6 months of each fiscal year, the impact to the STO is zero to unknown for each fiscal year. We estimate zero to \$1.3 million which is 1/2 of what the STO would collect each fiscal year.

Officials at the **Department of Insurance, Financial Institutions and Professional Registration** assume the fiscal impact is estimated to be over \$100,000.

Officials at the **Capitol Police** assume that OA Surplus Property places funds received from MCP vehicle sales into a revolving fund to be used at a later date to purchase new/used vehicles and that the fund would be swept.

Officials at the **Office of the Attorney General** state that costs which may arise from this proposal are unknown.

Officials at the **Office of the State Courts Administrator** assume that if this legislation is implemented as written, as long as funds remain available, there would be no fiscal impact on the judiciary. If, however, funds are deemed unavailable, which would be contrary to law and to the purpose of several fees, there would be a decided adverse impact on the judiciary, in the millions of dollars.

ASSUMPTION (continued)

Officials at the **Department of Corrections (DOC)** state that it is unknown what state funds will be affected by this proposal in the upcoming fiscal years, and therefore it is impossible to calculate the potential fiscal impact for the DOC.

Officials at the **Department of Conservation (MDC)** assumes this proposed legislation appears to exempt constitutional created funds; thus, it would not appear to have a fiscal impact on MDC funds.

Officials at the **Office of Administration's Administrative Hearing Commission, Department of Revenue, State Emergency Management Agency** and the **Office of the Governor** each assume no fiscal impact to their respective departments from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
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GENERAL REVENUE

Transfer In - General Revenue

Money from all state funds	<u>\$0 OR Greater</u> <u>Than</u> <u>\$1,139,407,477</u>
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**ESTIMATED NET EFFECT ON
GENERAL REVENUE**

\$0 OR Greater
Than
\$1,139,407,477

ALL OTHER STATE FUNDS

Transfer Out - All State Funds

6 months of funds to GR fund	<u>(\$0 OR Greater</u> <u>Than</u> <u>\$1,139,407,477)</u>
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**ESTIMATED NET EFFECT ON
ALL OTHER STATE FUNDS**

(\$0 OR Greater
Than
\$1,139,407,477)

FEDERAL FUNDS

Loss - Federal Funds

Loss of grants & matching funds (\$0 OR
\$1,363,363,961)

**ESTIMATED NET EFFECT ON
 FEDERAL FUNDS**

(\$0 OR
\$1,363,363,961)

FISCAL IMPACT - Local Government

FY 2008
 (10 Mo.)

FY 2009

FY 2010

\$0

\$0

\$0

FISCAL IMPACT - Small Business

If fees paid by small businesses to a particular funds are diverted to the general revenue fund, then it may prove impossible to provide the services to small businesses that the fees were intended to cover unless the other fund appropriation authority were replaced with General Revenue appropriation authority. Depositing fee revenues into the general revenue fund could result in substantial interruptions or lack of services.

FISCAL DESCRIPTION

This act requires the State Treasurer to deposit all moneys received under any state fund or administratively created fund into the state general revenue fund from January 1st to June 30th of the current fiscal year if the state's net general revenue collections did not increase by two percent or more over the past fiscal year. If state's net general revenues do increase by more than two percent, the State Treasurer shall deposit such moneys into the statutorily or administratively created fund. The provisions of this act shall not apply to any fund created by the constitution, funds for the payment of interest and principal for any bonded indebtedness, funds that receive constitutionally created taxes and fees, and funds created in order to receive and disburse federal funds.

This act contains an emergency clause.

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 Agriculture
Department of Conservation
Office of Administration
 Accounting
 Administrative Hearing Commission
 Budget and Planning
 Children's Trust Fund
 Information Technology Services
 Division of Purchasing and Materials Management
Department of Revenue
Office of State Courts Administrator
Department of Public Safety
 Alcohol & Tobacco Control
 Office of the Adjutant General
 Fire Safety
 Missouri Highway Patrol
 Capitol Police
 State Emergency Management System
Department of Health and Senior Services
Department of Labor and Industrial Relations
Department of Higher Education
Office of the Governor
Missouri Department of Transportation
Office of the Secretary of State
Office of the Attorney General
Department of Natural Resources
Missouri Gaming Commission
Department of Elementary and Secondary Education
Department of Mental Health
Office of the State Treasurer
Missouri Veterans Commission
Department of Economic Development
 Arts Council
 Public Service Commission
 Mo Housing Development Commission
 Business and Community Services
Department of Insurance, Financial Institutions and Professional Registration
Department of Corrections

SOURCES OF INFORMATION (continued)

Department of Social Services
 Budget and Finance
 Medical Services



Mickey Wilson, CPA
Director
February 17, 2007