

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1264-02
Bill No.: SCS for HB 684 w/ SA 1
Subject: Easements and Conveyances; Governor & Lt. Governor; Counties; St. Louis;
Kansas city
Type: Original
Date: April 26, 2007

Bill Summary: Authorizes the Governor to convey state property located in the City of St. Louis and Kansas City and the counties of St. Francois, Texas, Newton, Greene and Livingston.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Road Fund	(\$1,000,000 to \$3,000,000)	\$0	\$0
Special Employment Security Fund	(Unknown - not under \$43,249)	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	(\$1,000,000 to \$3,043,249)	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Insurance Administrative Fund	(Unknown not under \$30,542)	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	(Unknown not under \$30,542)	\$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

Officials from the **Office of Administration - Division of Facilities Management, Design and Construction, Governor's Office, City of Park Hills, City of Cabool and Texas County** assume no fiscal impact to their agencies.

Officials from the **Department of Labor and Industrial Relations (DOLIR)** assume the proposal authorizes the conveyance of property in Springfield, Missouri beginning on the south side of St. Louis Street known as the WJ McDaniel Lot. This property was originally purchased and improved in 1973. The original investment by the Division of Employment Security was \$73,791.01 of which \$43,249 was from the Special Employment Security Fund and \$30,542.01 from Unemployment Insurance Federal Grant Funds. The equity breakout of that lot is 58.61% Special ES Fund and 41.39% Federal UI Grant.

The federal participation means that federal regulations for disposition of real property must be followed. The DOLIR has sent these regulations to Oversight. The regulations require that the state make a request to the US Department of Labor on how to dispose of the property and requesting permission to sell it. In addition, the federal share of the proceeds must be reinvested in other real property or real property improvements in buildings that house a federally supported unemployment insurance program or be returned to the federal government upon disposition.

The Department is not aware of the fair market value of this property in order to estimate the potential impact on department funds, therefore estimates an unknown impact not less than the original investment.

Officials from the **Department of Transportation (MoDOT)** assume the conveyance of property in Section 1, consists of property owned or leased by MoDOT. MoDOT estimated a negative fiscal impact up to \$6 million to relocate our maintenance facility. The exact dollar can not be determined at this time. Further, the bill does not specify where any revenue received from the Governor's conveyance of the property will be deposited.

Oversight assumes this conveyance would occur in FY08 and has estimated a range of cost for that fiscal year.

Officials from the **Department of Mental Health** assume the portion regarding Bellefontaine Habilitation Center would be conveyed to provide mental health services. Section 7.4 requires the property to revert back to the State of Missouri if the property is not used to provide mental health services.

ASSUMPTION (continued)

There would be no fiscal impact to the Department of Mental Health.

Officials from the **City of St. Louis, City of Chillicothe, City of Springfield, Livingston County, St. Francois County, Greene County, City of Kansas City and Jackson County** did not respond to our request for a fiscal impact.

Total costs have been reduced to \$1,000,000 to \$3,000,000 to reflect a decision by the Oversight Subcommittee on April 3, 2007.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
ROAD FUND			
<u>Cost</u> - Relocation of Maintenance Facility	<u>(\$1,000,000 to \$3,000,000)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON ROAD FUND	<u>(\$1,000,000 to \$3,000,000)</u>	<u>\$0</u>	<u>\$0</u>
OTHER STATE FUNDS			
<u>Cost</u> - Special Employment Security Fund	<u>(Unknown - not under \$43,249)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON OTHER STATE FUNDS	<u>(Unknown - not under \$43,249)</u>	<u>\$0</u>	<u>\$0</u>
FEDERAL FUNDS			
<u>Cost</u> - Insurance Administrative Fund	<u>(Unknown not under \$30,542)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>(Unknown not under \$30,542)</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2008
(10 Mo.)

FY 2009

FY 2010

\$0

\$0

\$0

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 authorizes the conveyance of certain state properties and will have an effect on the Road Fund and other state funds.

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

Office of Administration -

Division of Facilities Management, Design and Construction

Governor's Office

Department of Labor and Industrial Relations

City of Park Hills

City of Cabool

Texas County

NOT RESPONDING

City of St. Louis

City of Chillicothe

City of Springfield

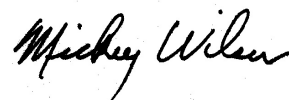
Livingston County

St. Francois County

Greene County

City of Kansas City

Jackson County



Mickey Wilson, CPA

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